

EXHIBIT C-2

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Exhibit No.: (PG&E-8)
Date: December 13, 2018
Witness(es): Various

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
EXHIBIT (PG&E-8)
HUMAN RESOURCES
WORKPAPERS SUPPORTING CHAPTERS 2-4A



PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
EXHIBIT (PG&E-8)
HUMAN RESOURCES

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Chapter	Title	Witness
2	HR OPERATIONS	David Hatton
3	HR SERVICE DELIVERY AND INCLUSION	Allison A. Neves
4	TOTAL REWARDS, STIP, NON-QUALIFIED RETIREMENT AND LABOR ESCALATION	John Lowe
4A	SAFTEY POLICIES, PRACTICES AND PERFORMANCE, AND TOTAL COMPENSATION	John Lowe

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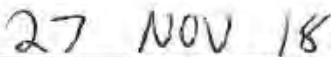
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David Hatton



Date

PACIFIC GAS AND ELECTRIC COMPANY
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Exhibit (PG&E-8), Human Resources
Human Resources Organization

Schedule 1

GRC Cost Centers by Department

Purpose: This schedule shows the cost centers for each Department in the Organization.

Human Resources

SVP Human Resources

(discussed in HR Operations)

HR Operations

Cost Centers

- 13753 HR Data & Operations
- 14187 Talent Insights and Planning
- 15312 HR Business Operations
- 15812 SVP Human Resources
- *12832 Non-Employee Workforce (Program)
- *12881 HR Solutions Center
- *13647 C-BT & Hiring Hall
- *14144 HR VP - Talent Mgmt Immediate Off
- *14868 HR Engagement, Policy, Analytics
- *15238 Recruiting Operations
- *15397 Org Effectiveness (net.)

HR Service Delivery and Inclusion

Cost Centers

- *0382 HR Business Partners
- *2583 Talent Acquisition & Mobility
- *3645 Labor Operations
- *3895 Diversity & Inclusion Office
- *4084 MBA Program
- *4145 HR VP-HR Labor Relations and HR Delivery
- **0374 Labor Relations COE
- **0392 Workforce Development
- **3650 EEO Employee Relations
- **3759 Execut vs Recruiting
- **4085 University Programs
- **4103 Performance Management
- **4104 HRD Corporate Services
- **4523 Labor Relations & HR Delivery
- **4805 Employee Development
- **4898 HRD Gas Operations
- **5128 HRD-Customer and IT

Total Rewards

Cost Centers

- 10385 Rewards
- *12792 Benefits Corp Items Expense
- *13757 Benefits Corp Items Expense
- *14075 Relocation
- *14730 Workforce Health
- *14865 Executive Compensation

PG&E Academy

Cost Centers A&G

- 12867 PG&E Academy COE
- 12912 Leadership and Employee Development
- 14028 Academy Operations
- 15138 Enterprise Compliance
- *12484 Third Party Prod. & Svc
- *12885 Professional Dev Leadership Trng
- *13735 SRM Training
- *14027 Gas Curriculum Development
- *14076 Leadership Development
- *14447 Superintendent Training Program
- *14453 Enterprise Systems
- *14906 Electric EQP
- *14917 Trng Director Immediate Office
- *14918 Apprenticeship Program Compliance
- *14919 Strategic Trng Programs-Compl
- *15135 Perf Measure & Assess Curric Dev
- *15136 Electric Curriculum Development

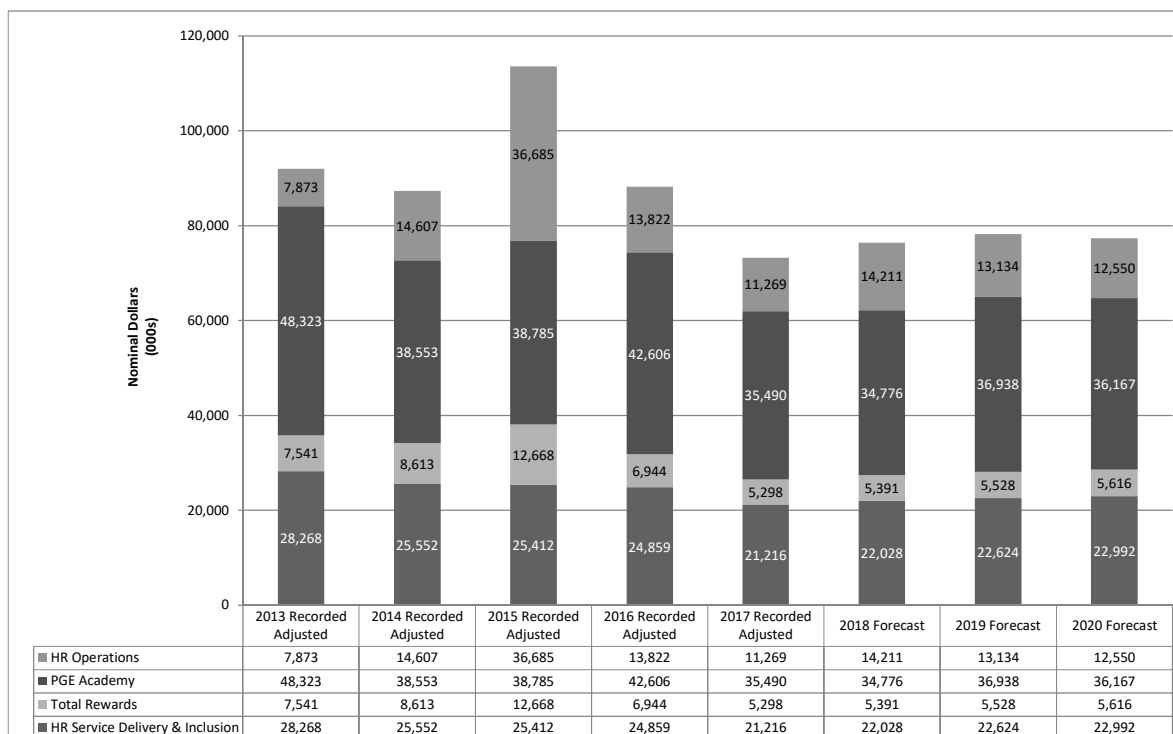
Cost Centers Operating

- 12871 Electric Delivery Team
- 15137 Gas Delivery Team
- *14027 Gas Curriculum Development
- *15136 Electric Curriculum Development

* Includes recorded costs only, no forecast costs.

**PACIFIC GAS AND ELECTRIC COMPANY
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Human Resources Organization**

**Schedule 2
Historical and Forecast GRC Expense Bar Chart
Nominal Dollars
(\$000s)**



	2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast	2020 Forecast
HR Service Delivery & Inclusion	28,268	25,552	25,412	24,859	21,216	22,028	22,624	22,992
Total Rewards	7,541	8,613	12,668	6,944	5,298	5,391	5,528	5,616
PGE Academy	48,323	38,553	38,785	42,606	35,490	34,776	36,938	36,167
HR Operations	7,873	14,607	36,685	13,822	11,269	14,211	13,134	12,550
Total Human Resources Organization	92,005	87,324	113,550	88,230	73,272	76,407	78,224	77,326

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
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Schedule 3
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923, Gas and Electric Operations)
Nominal Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast			Ref ^(a)
		2013	2014	2015	2016	2017	2018	2019	2020	
ORGANIZATION VIEW										
1	920 - Admin & Gen Salaries	36,012	40,199	42,051	45,913	39,844	38,994	40,694	41,338	Sch. D1, Line 2
2	921 - Office Supplies & Ex	6,998	6,271	6,865	4,292	2,342	1,275	1,356	1,356	Sch. D1, Line 3
3	923 - Outside Svc Employ - Utility	25,018	19,263	21,027	16,726	10,455	17,115	16,810	15,207	Sch. D1, Line 4
4	923 - Outside Svc Employ - Corp (b)	0	0	0	0	0	0	0	0	Sch. D1, Line 5
5	Gas Operations	9,811	8,417	7,737	6,891	5,797	5,568	5,710	5,859	
6	Electric Operations	14,167	13,175	14,067	14,408	14,833	13,455	13,654	13,565	
7	Total	92,005	87,324	91,747	88,230	73,272	76,407	78,224	77,326	Sch. D1, Line 6
8	Change from Prior Year		(4,681)	4,422	(3,516)	(14,958)	3,135	1,817	(899)	
DEPARTMENT VIEW										
HR Operations ^(c)										
9	920 - Admin & Gen Salaries	4,862	7,370	8,698	10,433	10,085	10,103	10,245	10,398	
10	921 - Office Supplies & Ex	729	1,148	1,389	1,029	501	395	395	395	
11	923 - Outside Svc Employ - Utility	2,282	6,089	4,794	2,360	683	3,713	2,494	1,757	
12	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0	
13	Total	7,873	14,607	14,882	13,822	11,269	14,211	13,134	12,550	
14	Change from Prior Year		6,734	275	(1,060)	(2,553)	2,943	(1,077)	(584)	
PGE Academy										
15	920 - Admin & Gen Salaries	4,877	6,255	6,190	9,734	8,067	7,352	8,167	8,257	
16	921 - Office Supplies & Ex	2,970	2,768	1,954	1,136	680	133	214	214	
17	923 - Outside Svc Employ - Utility	16,499	7,938	8,837	10,437	6,111	8,269	9,193	8,272	
18	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0	
19	Gas Training	9,811	8,417	7,737	6,891	5,797	5,568	5,710	5,859	
20	Electric Training	14,167	13,175	14,067	14,408	14,833	13,455	13,654	13,565	
21	Total	48,323	38,553	38,785	42,606	35,490	34,776	36,938	36,167	
22	Change from Prior Year		(9,771)	232	3,821	(7,116)	(713)	2,161	(771)	

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
Human Resources Organization

Schedule 3
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923, Gas and Electric Operations)
Nominal Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast				Ref ^(a)
		2013	2014	2015	2016	2017	2018	2019	2020		
Total Rewards											
21	920 - Admin & Gen Salaries	5,425	5,761	6,125	4,847	3,697	3,962	4,099	4,242		
22	921 - Office Supplies & Ex	394	485	1,453	333	194	52	52	52		
23	923 - Outside Svc Employ - Utility	1,722	2,367	5,090	1,764	1,407	1,377	1,377	1,322		
24	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0		
25	Total	7,541	8,613	12,668	6,944	5,298	5,391	5,528	5,616		
Change from Prior Year											
26			1,073	4,055	(5,724)	(1,646)	94	137	88		
HR Service Delivery & Inclusion^(c)											
27	920 - Admin & Gen Salaries	20,848	20,812	21,037	20,899	17,995	17,577	18,183	18,442		
28	921 - Office Supplies & Ex	2,905	1,871	2,070	1,794	967	696	696	696		
29	923 - Outside Svc Employ - Utility	4,514	2,869	2,305	2,166	2,254	3,755	3,745	3,855		
30	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0		
31	Total	28,268	25,552	25,412	24,859	21,216	22,028	22,624	22,992		
Change from Prior Year											
32			(2,716)	(139)	(553)	(3,643)	812	596	368		

(a) Please refer to the appropriate Department workpapers for further details.

(b) Forecast for 923-Corp has been reduced by 1% to reflect work performed for Non-Utility Affiliates, for additional details about the Non-Utility Affiliate reduction please refer to Exhibit (PG&E-9), Chapter 9, A&G Ratemaking Adjustments.

(c) Pursuant to California Senate Bill 901 [Pub. Util. Code § 706 (effective Jan. 1, 2019)], PG&E has adjusted its 2020 forecast to remove officer compensation and benefits. To the extent such costs were included in the forecast for this organization, they have been removed by way of an adjustment to PG&E's total GRC forecast. See Exhibit (PG&E 8) Human Resources, Chapter 4A Safety Policies, Practices and Performance, and Total Compensation for additional information.

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Schedule 4
Historical and Forecast GRC Expense (FERC Account 920, 921 and 923, Gas and Electric Operations)
Base Year Dollars
(\$000s)

Line	Description	2013	2014	2015	2016	2017	2018	2019	2020	Ref ^(a)
ORGANIZATION VIEW										
1	920 - Admin & Gen Salaries	40,713	44,127	44,828	47,456	39,844	37,756	38,150	37,523	
2	921 - Office Supplies & Ex	7,398	6,531	7,045	4,356	2,342	1,254	1,308	1,281	
3	923 - Outside Svc Employ - Utility	26,448	20,064	21,577	16,977	10,455	16,829	16,205	14,358	
4	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0	
	Gas Operations	10,661	9,019	8,089	7,066	5,797	5,406	5,380	5,356	
	Electric Operations	15,345	13,992	14,626	14,733	14,833	13,130	12,956	12,514	
5	Total	100,565	93,733	96,165	90,588	73,272	74,375	73,999	71,031	
6	Change from Prior Year		(6,833)	2,432	(5,577)	(17,316)	1,103	(376)	(2,968)	

DEPARTMENT VIEW										
HR Operations										
9	920 - Admin & Gen Salaries	5,496	8,090	9,273	10,784	10,085	9,783	9,605	9,438	Sch. D2, Line 1
10	921 - Office Supplies & Ex	771	1,196	1,425	1,044	501	388	381	373	Sch. D2, Line 2
11	923 - Outside Svc Employ - Utility	2,413	6,342	4,920	2,395	683	3,651	2,404	1,659	Sch. D2, Line 3
12	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0	Sch. D2, Line 4
13	Total	8,680	15,628	15,618	14,223	11,269	13,822	12,390	11,471	Sch. D2, Line 5
14	Change from Prior Year		6,948	(10)	(1,395)	(2,954)	2,553	(1,432)	(919)	
PGE Academy										
15	920 - Admin & Gen Salaries	5,514	6,866	6,599	10,061	8,067	7,118	7,656	7,495	
16	921 - Office Supplies & Ex	3,139	2,883	2,005	1,153	680	131	206	202	
17	923 - Outside Svc Employ - Utility	17,442	8,268	9,068	10,593	6,111	8,131	8,862	7,811	
18	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0	
19	Gas Training	10,661	9,019	8,089	7,066	5,797	5,406	5,380	5,356	
20	Electric Training	15,345	13,992	14,626	14,733	14,833	13,130	12,956	12,514	
21	Total	52,102	41,028	40,387	43,606	35,490	33,916	35,061	33,376	
22	Change from Prior Year		(11,074)	(641)	3,219	(8,116)	(1,574)	1,145	(1,684)	

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Human Resources Organization

Schedule 4
Historical and Forecast GRC Expense (FERC Account 920, 921 and 923, Gas and Electric Operations)
Base Year Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast				Ref ^(a)
		2013	2014	2015	2016	2017	2018	2019	2020		
Total Rewards											
21	920 - Admin & Gen Salaries	6,133	6,324	6,530	5,010	3,697	3,836	3,843	3,850		
22	921 - Office Supplies & Ex	416	505	1,491	338	194	51	50	49		
23	923 - Outside Svc Employ - Utility	1,821	2,465	5,223	1,790	1,407	1,354	1,328	1,249		
24	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0		
25	Total	8,370	9,295	13,244	7,138	5,298	5,242	5,221	5,148		
Change from Prior Year											
26			925	3,949	(6,105)	(1,840)	(56)	(21)	(73)		
HR Service Delivery & Inclusion											
27	920 - Admin & Gen Salaries	23,570	22,846	22,427	21,601	17,995	17,019	17,046	16,740		
28	921 - Office Supplies & Ex	3,072	1,948	2,124	1,821	967	684	671	657		
29	923 - Outside Svc Employ - Utility	4,772	2,988	2,366	2,198	2,254	3,692	3,610	3,640		
30	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0		
31	Total	31,414	27,782	26,917	25,621	21,216	21,395	21,328	21,036		
Change from Prior Year											
32			(3,631)	(866)	(1,296)	(4,405)	180	(68)	(291)		
Escalation Factor ^{[1] [2] [3]}											
33	920 - Admin & Gen Salaries	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017		
34	921 - Office Supplies & Ex	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591		
35	923 - Outside Svc Employ - Utility	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591		
36	923 - Outside Svc Employ - Corp	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591		
						Base Year			Test Year		

[1] Base Year Dollar = Nominal Dollar (from Schedule 3) / Annual Escalation Factor

[2] See Exhibit (PG&E-8) - Human Resources, Ch. 4.- Total Rewards, STIP, Non-qualified Retirement and Labor Escalations.

[3] See Exhibit (PG&E-12) - General Report, Ch. 4.- Escalation Rates.

(a) Please refer to the appropriate Department workpapers for further details.

**PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
Human Resources Organization**

**Schedule 5
Historical Adjustments
Nominal Dollars
(\$000s)**

Purpose: This schedule summarizes the recorded costs, adjustments and recorded adjusted costs for the Organization. For a description of the adjustments, please refer to the Department Workpaper schedule D4.

Line	Description	2013	2014	2015	2016	2017	Ref ^(a)
ORGANIZATION VIEW							
1	Recorded GRC Subtotal	67,786	65,732	69,943	66,931	52,641	
2	Adjustments	241	0	0	0	0	
3	Recorded Adjusted	68,027	65,732	69,943	66,931	52,641	Sch. 3, Line 5
DEPARTMENT VIEW							
<u>Recorded (FERC 920, 921, and 923)</u>							
4	HR Operations	7,632	14,607	14,882	13,822	11,269	
5	PGE Academy	24,346	16,961	16,981	21,306	14,859	
6	Total Rewards	7,541	8,613	12,668	6,944	5,298	
7	HR Service Delivery & Inclusion	28,268	25,552	25,412	24,859	21,216	
8	Total Recorded	67,786	65,732	69,943	66,931	52,641	
<u>Adjustments (FERC 920, 921, and 923)</u>							
9	HR Operations	241	0	0	0	0	
10	PGE Academy	0	0	0	0	0	
11	Total Rewards	0	0	0	0	0	
12	HR Service Delivery & Inclusion	0	0	0	0	0	
13	Total Adjustments	241	0	0	0	0	
<u>Recorded Adjusted (FERC 920, 921, and 923)</u>							
14	HR Operations	7,873	14,607	14,882	13,822	11,269	
15	PGE Academy	24,346	16,961	16,981	21,306	14,859	
16	Total Rewards	7,541	8,613	12,668	6,944	5,298	
17	HR Service Delivery & Inclusion	28,268	25,552	25,412	24,859	21,216	
18	Total Recorded Adjusted	68,027	65,732	69,943	66,931	52,641	

(a) Please refer to the appropriate Department workpapers for further details.

PACIFIC GAS AND ELECTRIC COMPANY
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Schedule 6
Full Time Equivalent (FTE) Forecast

Purpose: This schedule shows the Full Time Equivalent (FTE) forecast for the organization.
Section 1 shows the year-end FTEs and vacancies for each Department in the base year, and the total forecast FTEs through the test year.
Section 2 shows the year over year changes in FTEs for each Department through the test year.

		A	B	C=(A+B)	D	E	F
Line	Description	2017 Year-End FTE	2017 Vacancies	2017 Year End FTE + Vacancies	2018 Forecast	2019 Forecast	2020 Forecast
1	HR Operations	83.3	10.5	93.8	90.0	89.0	88.0
2	PGE Academy	137.0	25.0	162.0	161.0	166.0	164.0
3	Total Rewards	29.6	2.4	32.0	31.0	31.0	31.0
4	HR Service Delivery & Inclusion	134.0	20.0	154.0	141.0	141.0	140.0
5	Total FTE	383.9	57.9	441.8	423.0	427.0	423.0
6	HR Operations				(3.8)	(1.0)	(1.0)
7	PGE Academy				(1.0)	5.0	(2.0)
8	Total Rewards				(1.0)	-	-
9	HR Service Delivery & Inclusion				(13.0)	-	(1.0)
10	Total Year to Year FTE Changes				(18.8)	4.0	(4.0)

Section 3: Comments on Vacancies

- 11 See each chapter for additional information and explanation regarding year over year FTE changes

**PACIFIC GAS AND ELECTRIC COMPANY
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Human Resources Organization**

**Schedule 7
Summary of Vacancy Savings Calculation
Nominal Dollars
(\$000s)**

Purpose: This schedule shows total vacancy savings for the Organization. For the calculation of vacancy savings for each department, please refer to the Department workpaper schedule D7.

		Forecast			
Line	Description	2018	2019	2020	Ref ^(a)
FERC Account 920 - Admin & Gen Salaries, Electric and Gas Operations					
ORGANIZATION VIEW					
Human Resources Organization					
1	Direct Labor	52,463	55,232	56,310	
2	Vacancy Savings	(2,325)	(2,325)	(2,325)	
3	Indirect Labor	(222)	(30)	(30)	
4	Total Labor (FERC Account 920, Electric and Gas Training Labor)	49,916	52,877	53,955	
DEPARTMENT VIEW					
HR Operations					
5	Direct Labor	10,597	10,739	10,892	
6	Vacancy Savings	(465)	(465)	(465)	
7	Indirect Labor	(28)	(28)	(28)	
8	Total Labor (FERC Account 920)	10,103	10,245	10,398	
PGE Academy					
9	Direct Labor	19,551	21,190	21,714	
10	Vacancy Savings	(840)	(840)	(840)	
11	Indirect Labor	(438)	(1)	(1)	
12	Total Labor (FERC Account 920, Electric and Gas Training Labor)	18,273	20,350	20,874	
Total Rewards					
13	Direct Labor	4,154	4,291	4,433	
14	Vacancy Savings	(191)	(191)	(191)	
15	Indirect Labor	(0)	(0)	(0)	
16	Total Labor (FERC Account 920)	3,962	4,099	4,242	
HR Service Delivery & Inclusion					
17	Direct Labor	18,161	19,013	19,271	
18	Vacancy Savings	(829)	(829)	(829)	
19	Indirect Labor	245	(1)	(1)	
20	Total Labor (FERC Account 920)	17,577	18,183	18,442	

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Schedule 8
Calculation of Capitalization Rate

Purpose:

- This schedule shows the capitalization rates for each Department. Witnesses were asked to identify work performed by their organization that could be eliminated if there were no new or ongoing construction activities being performed by the Company.
- The Department schedules indicated in the Reference column below show the calculation of the capitalization rate for each Department.

Line	Exhibit (PG&E-8), Human Resources	Capital Allocation % Labor	Capital Allocation % Materials	Capital Allocation \$ Labor	Capital Allocation \$ Materials	Ref ^(a)
1	HR Operations	41.12%	43.34%	(4,275,404)	(171,118)	Sch. D8, Lines 2, 5
2	PG&E Academy A&G	35.73%	38.91%	(2,949,831)	(83,112)	Sch. D8, Lines 2, 5
3	Total Rewards	43.90%	43.90%	(1,862,102)	(22,818)	Sch. D8, Lines 2, 5
4	HR Service Delivery & Inclusion	43.90%	43.90%	(8,095,839)	(305,518)	Sch. D8, Lines 2, 5
5	PG&E Academy Gas and Electric Training	43.90%	43.90%	(5,671,962)	-	Sch. D8, Lines 4, 5

(a) Please refer to the appropriate Department workpapers for further details.

**PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources**

**WORKPAPERS SUPPORTING
2) HR Operations**

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PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D1
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923)
Nominal Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast			
		2013	2014	2015	2016	2017	2018	2019	2020	
1) HR Operations										
1	920 - Admin & Gen Salaries	4,862	7,370	8,698	10,433	10,085	10,103	10,245	10,398	
2	921 - Office Supplies & Ex	729	1,148	1,389	1,029	501	395	395	395	
3	923 - Outside Svc Employ - Utility	2,282	6,089	4,794	2,360	683	3,713	2,494	1,757	
4	923 - Outside Svc Employ - Corp (a)	0	0	0	0	0	0	0	0	
5	Total	7,873	14,607	14,882	13,822	11,269	14,211	13,134	12,550	
6	Change from Prior Year		6,734	275	(1,060)	(2,553)	2,943	(1,077)	(584)	Sch. D3

(a) Forecast for 923-Corp has been reduced by 1% to reflect work performed for Non-Utility Affiliates, for additional details about the Non-Utility Affiliate reduction please refer to Exhibit (PG&E-9), Chapter 9, A&G Ratemaking Adjustments.

PACIFIC GAS AND ELECTRIC COMPANY
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Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D2
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923)
Base Year Dollars
(\$000s)

Line	Description	2013	2014	2015	2016	2017	2018	2019	2020
1) HR Operations									
1	920 - Admin & Gen Salaries	5,496	8,090	9,273	10,784	10,085	9,783	9,605	9,438
2	921 - Office Supplies & Ex	771	1,196	1,425	1,044	501	388	381	373
3	923 - Outside Svc Employ - Utility	2,413	6,342	4,920	2,395	683	3,651	2,404	1,659
4	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0
5	Total	8,680	15,628	15,618	14,223	11,269	13,822	12,390	11,471
6	Change from Prior Year		6,948	(10)	(1,395)	(2,954)	2,553	(1,432)	(919)

Escalation Factor ^[1] [2][3]	2013	2014	2015	2016	2017	2018	2019	2020
7 920 - Admin & Gen Salaries	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
8 921 - Office Supplies & Ex	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
9 923 - Outside Svc Employ - Utility	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
10 923 - Outside Svc Employ - Corp	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591

[1] Base Dollar = Nominal Dollar (from Schedule D1)/Annual Escalation Factor

[2] See Exhibit (PG&E-8) - Human Resources, Ch. 4.- Total Rewards, STIP, Non-qualified Retirement and Labor Escalations.

[3] See Exhibit (PG&E-12) - General Report, Ch. 4.- Escalation Rates.

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2013 to 2014	Recorded Adjusted	7,873	4,862	729	2,282			Sch. D1, Line 5
	Labor	1,575	1,575				Increase in end of year headcount of 32 FTE related to the formation of the HR Business Operations department and transfer of Recruiting support staff from HR Services to HR Operations.	
	Labor Escalation	136	136				Increase due to labor escalation.	
	Materials	(13)		(13)			Immaterial variance.	
	Contracts	763			763		Increase due to Premier Survey in 2014, recruiting related advertising and media, and development of HR Operations processes.	
	Corporation Charges							
	Employee-Related	232		232			Increase in employee background check costs, job analysis and test validation.	
	Other	4,042	797	200	3,044		Increase primarily due organization design initiative implemented in 2014 and the continuation of the Non-Employee Workforce Program.	
	Net Change	6,734	2,508	419	3,807			Sch. D1, Line 6

(PG&E-8)

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2014 to 2015	Recorded Adjusted	14,607	7,370	1,148	6,089			Sch. D1, Line 5
	Labor	1,735	1,735				Increase in end of year headcount of 10.25 FTE to support the Organizational Effectiveness Initiative.	
	Labor Escalation	206	206				Increase due to labor escalation.	
	Materials	77		77			Increase in department support costs for Organizational Effectiveness and Talent Operations.	
	Contracts	488			488		Increase primarily due to hardware/software maintenance for SAP SuccessFactors and SmashFly (recruiting website) offset partially by a decrease in Organizational Effectiveness consulting.	
	Corporation Charges							
	Employee-Related	78		78			Increase primarily due to higher employee training, travel, lodging and Rewards and Recognition payments.	
	Other	(2,310)	(613)	86	(1,783)		Decrease primarily related to a reduced spend for organization design initiative.	
	Net Change	275	1,329	241	(1,295)			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2015 to 2016	Recorded Adjusted	14,882	8,698	1,389	4,794			Sch. D1, Line 5
	Labor	1,503	1,503				Increase of 12 FTE average headcount to support the Non-Employee Workforce Program and Organizational Effectiveness team.	
	Labor Escalation	266	266				Increase due to labor escalation.	
	Materials	(64)		(64)			Decrease primarily due to reduction in association dues and subscriptions.	
	Contracts	(296)			(296)		Decrease primarily due to reduction in hardware/software maintenance for SAP SuccessFactors.	
	Corporation Charges							
	Employee-Related	(122)		(122)			Decrease primarily due to reduction on employee recruiting fees.	
	Other	(2,346)	(34)	(174)	(2,138)		Decrease primarily related to completion of the organizational design initiative and the development of the Non Employee Workforce program.	
	Net Change	(1,060)	1,735	(360)	(2,434)			Sch. D1, Line 6

Pacific Gas and Electric Company
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Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2016 to 2017	Recorded Adjusted	13,822	10,433	1,029	2,360			Sch. D1, Line 5
	Labor	(748)	(748)				Decrease in end of year headcount of net 9.2 FTE, including the elimination of VP Talent Management and a reduction in Business Operations staffing. Increase due to labor escalation.	
		331	331					
	Materials	(58)		(58)			Decrease primarily due to decrease in office supplies and equipment.	
	Contracts	(760)			(760)		Decrease primarily due to Biannual Premier Survey costs and decreased use of recruiting support websites as a result of the implementation of SuccessFactors.	
		(523)			(523)		Decrease due to reduction in use of temporary workers.	
	Corporation Charges							
	Employee-Related	(390)		(390)			Decrease primarily due to reduction in employee recruiting fees, including background checks and employee training, meals, travel and lodging.	
	Other	(405)	69	(80)	(394)		Decrease primarily due to reduction in employment testing related contracts.	
	Net Change	(2,553)	(348)	(528)	(1,677)			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2017 to 2018	Recorded Adjusted	11,269	10,085	501	683			Sch. D1, Line 5
	Labor	(328)	(328)				Decrease of 3.8 FTEs year over year, across the department.	
		333	333				Labor escalation	
	Materials	(23)		(23)			Forecasted decrease in materials, including office supplies and printed materials.	
	Contracts	(652)			(652)		See discussion in "Other" below.	
	Corporation Charges							
	Employee-Related	(85)		(85)			Decrease in forecasted employee related costs including: training, meals, and travel and lodging.	
	Other	3,698	13	2	3,682		FERC 923: Net increase of \$3.0 million related to an increase in employment testing associated with anticipated increased external hiring as compared to 2017, and increase in contract support to analyze and categorize employee feedback in order to develop actions plans.	
	Net Change	2,943	18	(106)	3,030			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2018 to 2019	Recorded Adjusted	14,211 (187)	10,103 (187)	395	3,713			Sch. D1, Line 5
	Labor						Decrease of 1 FTE forecasted.	
	Labor escalation	329	329				Increase due to labor escalation.	
	Materials							
	Contracts							
	Corporation Charges							
	Employee-Related							
	Other	(1,219)	(0)		(1,219)		FERC 923:Decrease in forecasted contract resources to support the HR Organization.	
	Net Change	(1,077)	142		(1,219)			Sch. D1, Line 6

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Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D4
Historical Adjustments
Nominal Dollars
(\$000s)

Purpose: This schedule shows the calculation of the Recorded Adjusted costs appearing on Schedule D1. Line 1 shows the total Recorded costs for each of the historical years, and Lines 2 through 6 show the adjustments made to determine the Recorded Adjusted costs. The two types of adjustments are: (1) Reorganizations, which reflect the movement of employees or contracts from one department to another; and (2) Other Adjustments, which relate to costs excluded from the GRC forecast of the department.

Line	Description	2013	2014	2015	2016	2017	Ref
1	Recorded	7,632	14,607	14,882	13,822	11,269	Sch. D6, Line 5
	Adjustments:						
2	<u>Reorganizations</u>						
2a	2013 Reorganization to establish HR Strategy, 6 FTEs	241					
2b							
2c							
2d							
2e							
2f							
2g							
2h							
2i							
2j							
2k							
2l							
3	Subtotal Reorganizations	241	0	0	0	0	
4	<u>Other Adjustments</u>						
4a							
4b							
4c							
5	Subtotal Other Adjustments	0	0	0	0	0	
6	Total Adjustments (line 3 + line 5)	241	0	0	0	0	Sch. D6, line 10
7	Recorded Adjusted (line 1 + line 6)	7,873	14,607	14,882	13,822	11,269	Sch. D1, line 5

PACIFIC GAS AND ELECTRIC COMPANY
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2) HR Operations

Schedule D5
Explanations of Historical Adjustments to Support Schedule D4

Table 1: This table provides the business purpose of each Reorganization adjustment on Schedule D4.

	Sch. D4 Adj Line	From Department	To Department	Explanation (e.g. Business purpose of the adjustment)
1	2a	10373	14187	2013 Reorganization to establish HR Strategy, 6 FTEs transfers
2				
3				
4				
5				
6				

Table 2: This table provides the business purpose of each Other adjustment on Schedule D4.

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Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D6
Historical Adjustments by FERC Account
Nominal Dollars
(\$000s)

Purpose: This schedule provides a summary of all Historical Adjustments by FERC Account

Line	Description	2013	2014	2015	2016	2017	Ref
RECORDED BY FERC ACCOUNT							
1	920 Admin & Gen Salaries	4,620	7,370	8,698	10,433	10,085	
2	921 Office Supplies & Ex	729	1,148	1,389	1,029	501	
3	923 Outside Services - Utility	2,282	6,089	4,794	2,360	683	
4	923 Outside Services - Corp	0	0	0	0	0	
5	Total Recorded	7,632	14,607	14,882	13,822	11,269	Sch. D4, line 1
ADJUSTMENTS BY FERC ACCOUNT							
6	920 Admin & Gen Salaries	241					
7	921 Office Supplies & Ex						
8	923 Outside Services - Utility	0	0	0	0	0	
9	923 Outside Services - Corp	0	0	0	0	0	
10	Total Adjustments	241	0	0	0	0	Sch. D4, line 6
RECORDED ADJUSTED BY FERC ACCOUNT							
11	920 Admin & Gen Salaries	4,862	7,370	8,698	10,433	10,085	
12	921 Office Supplies & Ex	729	1,148	1,389	1,029	501	
13	923 Outside Services - Utility	2,282	6,089	4,794	2,360	683	
14	923 Outside Services - Corp	0	0	0	0	0	
15	Total Recorded Adjusted	7,873	14,607	14,882	13,822	11,269	Sch. D1, line 5

PACIFIC GAS AND ELECTRIC COMPANY
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Exhibit (PG&E-8), Human Resources
2) HR Operations

Schedule D7
Summary of Vacancy Savings Calculation
Nominal Dollars
(\$000s)

Purpose: This schedule shows labor and vacancy savings.

Line	Description	2018	2019	2020	Ref
FERC Account 920 - Admin & Gen Salaries					
1	Direct Labor ^[a]	10,597	10,739	10,892	
2	Labor Vacancy Savings ^[b]	(465)	(465)	(465)	
3	Indirect Labor ^[c]	(28)	(28)	(28)	
4	Total Labor (FERC Account 920)	<u>10,103</u>	<u>10,245</u>	<u>10,398</u>	Sch. D1, Line 1

[a] Direct Labor is the salaries associated with department employees

[b] Labor vacancy savings was calculated based on the financial view organization for organizations with more than 50 people and PCCs with more than 10 people.
The vacancy savings calculation is as follows:

$$\frac{\text{average open requisitions for a four month period}}{\text{budgeted headcount}} \times \text{Planned Labor} = \frac{\text{xx}}{\text{yy}}$$

[c] Indirect labor is the labor associated with interdepartmental services.

PACIFIC GAS AND ELECTRIC COMPANY
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2) HR Operations

Schedule D8
Calculation of Capitalization Rate
Nominal Dollars
(\$000s)

Purpose:

-This schedule shows the capitalization rate for the Department. Corporate Services witnesses identified work performed by their organization that could be eliminated if there were no new or ongoing construction activities being performed by the Company.

-The capitalization rates are then used to calculate an aggregate Labor and M&S Transfer to Construction rate that would be applied to all Corporate Service Organizations. The results are shown in the workpapers supporting Exhibit (PG&E -10) Results of Operations, Chapter 7 Administrative and General Expenses (FERC Account 922 - Transfer to Construction).

Summary

Line	Description	Amount
1	FERC Account 920 - Admin and General Salaries	10,398
2	Imputed transfer to construction - Labor rate	41.12%
3	Total Transfer to Construction - Labor \$	4,275
4	FERC Account 921 - Office Supplies and Expenses	395
5	Imputed transfer to construction - Materials & Supplies (M&S) rate	43.34%
6	Total Transfer to Construction - M&S \$	171

Calculated Transfer to Construction - Labor, by Cost Center:

Line	PCC	Description	A	B	C = A * B	Ref
			FERC 920	Capital Allocation %	Capital Allocation \$	
7	13753	HR Data & Operations	4,119	43.90%	1,808	
8	14187	Talent Insights and Planning	3,286	43.90%	1,443	
9	15312	HR Business Operations	2,334	43.90%	1,025	
10	15812	SVP Human Resources	659	0.00%	0	
11	Total		10,398		4,275	

12	Imputed transfer to construction - Labor Rate (Capital Allocation \$ / FERC 920)	41.12%
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Calculated Transfer to Construction - Materials & Supplies (M&S), by Cost Center:

Line	PCC	Description	A	B	C = A * B	Ref
			FERC 921	Capital Allocation %	Capital Allocation \$	
13	13753	HR Data & Operations	140	43.90%	61	
14	14187	Talent Insights and Planning	198	43.90%	87	
15	15312	HR Business Operations	52	43.90%	23	
16	15812	SVP Human Resources	5	0.00%	0	
17	Total		395		171	

18	Imputed transfer to construction - M&S Rate (Capital Allocation \$ / FERC 921)	43.34%
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Line	PCC	Explanation of Calculation	Ref
19		The majority of the cost centers in HR Operations support the entire company's workforce, therefore it is appropriate to use the total company labor capitalization factor for these cost centers.	

PACIFIC GAS AND ELECTRIC COMPANY
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 Exhibit (PG&E-8), Human Resources
 Human Resources Organization
 2) HR Operations

Schedule FTE
 Full Time Equivalent (FTE) Forecast

Purpose: This schedule shows the Full Time Equivalent (FTE) forecast for the department.
Section 1 shows the year-end FTEs and vacancies for each Department in the base year, and the total forecast FTEs through the test year.
Section 2 shows the year over year changes in FTEs for each Department through the test year.

		A	B	C=(A+B)	D	E	F
Line	Description	2017 Year-End FTE	2017 Vacancies	2017 Year End FTE + Vacancies	2018 Forecast	2019 Forecast	2020 Forecast
Section 1: FTE by Department							
1	1) HR Operations	83.3	10.5	93.8	90.0	89.0	88.0
Section 2: Year Over Year FTE Changes by Department							
2	1) HR Operations				(3.8)	(1.0)	(1.0)
Section 3: Comments on Vacancies							

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Schedule FTE Variance
Year Over Year FTE Changes

Purpose: This schedule explains the year over year changes in the Full Time Equivalent (FTE) forecast.

2017 to 2018			
Line	Department	Inc/(Dec)	Explanation

1	HR Operations	(3.8)	Reduction of 1.8 FTE in HR Business Operations, 1 in the HR Solution Center, and 1 in Non-Employee Workforce Program.
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2018 to 2019			
Line	Department	Inc/(Dec)	Explanation

2	HR Operations	(1.0)	Elimination of a director position.
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2019 to 2020			
Line	Department	Inc/(Dec)	Explanation

3	HR Operations	(1.0)	Elimination of one position in the HR Solution Center as a result of the Online HR project.
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PACIFIC GAS AND ELECTRIC COMPANY
Human Resources: HR Operations
Enabling Online HR

Project Title: Enabling Online HR

Major Work Categories: JV/2F

Planning Order Numbers: 5259699, 5778778, 5778784, 5778785, 5778786, 5260634

Project Start Date: January 2018

Project Completion Date: October 2022

Operative Date (only applies to Capital): October 2022

Project Description

Enabling Online HR is a multi-year, multi-phased project to:

- Update processes and the underlying technology to reduce the manual entry of data and transactions into SAP and Success Factors (SAP is PG&E's on-premise HR Information system, Success Factors is SAP's cloud based HR system which PG&E currently uses to support recruiting and onboarding of new employees). Specific processes and technology will be determined based on an ongoing assessment of which transactions generate the highest volume of manual intervention and/or errors that must be corrected.
- Deploy Success Factors Workforce Analytics and Planning module to more fully integrate PG&E's employee and non-employee data to improve people related reports. This includes making additional reports available via self-service to leaders throughout the organization.
- Develop an automated data feed to PG&E's Exit Survey vendor to improve data and information from exits surveys.
- Automate routine processes that currently are manually processed through the implementation of robotics tools
- Enable PG&E leaders to access information on HR policies and processes through the enhanced online presence

This project builds on earlier technology projects which standardized and updated many of the HR processes and implemented and improved PG&E's employee and manager self-service functions. The specific

Justification

Through this initiative PG&E's Human Resources organization will continue to increase the automation of processes and reduce both the number of transactions that must be manually processed by the HR Solution Center and improve the quality and accuracy of employee and non-employee related data, therefore minimizing the number of correcting entries that must be made. The initiative also focuses on improving the reporting and analytics related to people data.

The additional insight into areas like critical jobs and attrition will allow PG&E to refine its workforce planning processes and forecasts, thereby reducing the total company resources devoted to the effort and

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improving the quality of the output. Improving the quality of the workforce plan will allow PG&E to more precisely forecast future employee hiring and training needs. Understanding when and where specific skills and abilities will be needed allows PG&E to hire and train needed resources so that they are available when the need arises.

Cost

PG&E used the Company's IT Project Estimating Tool (PET) to develop a cost estimate and document assumptions for this project. The forecast costs for this project, shown in the table below, are based on these assumptions. For further discussion on the PET, please see Exhibit (PG&E- 7), Chapter 8 and supporting workpapers. The specific output from the PET for this Project can be provided upon request.

Project Spending Estimates
(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	N/A	\$901	\$300	\$700	\$943	\$526	\$2,169
Capital							
MWC 2F	N/A	\$1,900	\$503	\$881	\$1,250	\$1,507	\$3,638

Benefits

PG&E has included a 2-full time equivalent (FTE) reduction in its end of year 2020 HR forecast as a result of this project (1 FTE from HR Operations in the HR Solutions Center, and one FTE from HR Services). These reductions only become possible with the automation and therefore reduced manual work that this project will deliver. The reduction in an FTE in the HR Solution Center is attributable to the improved processes and technology that will allow more transactions to be completed via employee and manager self-service without manual interaction of an HR employee. The second FTE in HR Services will be eliminated as the Workforce Planning and Analytics project is fully deployed and it both becomes easier for leaders to run reports on their employees and additional reports are made available to leaders via self-service. The HR Services team will no longer need to spend the same amount of time preparing reports for their clients.

HR also expects additional resources to be freed from their currently manual transactions and reporting. These additional resources would be refocused on providing analysis of employee data to determine trends and identify areas where additional focus is needed in either knowledge transfer, training, or development of the future workforce – especially as the number of employees eligible to retire with full benefits increases in the next 5 years.

In addition to the FTE savings in the HR organization, leaders and others with access to employee reports or who currently support the workforce planning process will require less time to obtain useful and actionable information about their employees and to provide the information necessary for a quality

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workforce plan. These in the field efficiencies will allow impacted employees to spend more time in their respective functional areas.

Another benefit will be improved data quality and a higher quality workforce plans which will enable PG&E to better plan the hiring and training for new employees.

Alternatives Considered

The primary alternative to this project is to continue with existing processes and technology. These processes frequently require manual intervention or somewhat cumbersome processes. In specific cases PG&E has assessed alternative technology which is described below. As the Enable Online HR project moves forward PG&E will continue to evaluate available technology and select the platform that balances cost, performance and capability, and ongoing maintenance.

Workforce Analytics & Planning – options and technology evaluated

1. Success Factors Workforce Analytics and Planning – Chosen alternative. Success Factors is the SAP cloud based solution for Human Resources functionality. The solution can provide the required functionality and will build upon PG&E's use of Success Factors for Recruiting and Onboarding. As other Success Factors modules are deployed the reporting solution will be available to support those functions as well.
2. Status Quo - Keep existing support model SAP transactions and reporting is manually generated with SAP Business Objects (BOBJ) dashboards and SAP Business Intelligence. These platforms require ongoing IT support to maintain. Scheduling of new automated reports or changing the automatic delivery of existing reports requires IT intervention. The existing data warehouses have limited workforce planning data and little or no modeling capability for critical jobs and attrition.
3. SAP Analysis for Office (existing tool used by the PG&E Finance organization). This technology does not currently meet the requirements for an HR reporting tool and would require significant update and enhancement in order to meet the HR requirements.

PACIFIC GAS AND ELECTRIC COMPANY
Human Resources: HR Operations
Small Technology Projects

Project Title: Small Technology Projects (Minor Enhancements)

Major Work Categories: JV

Planning Order Numbers: 5227533, 5035432

Project Start Date: January 2016

Project Completion Date: December 2022

Operative Date (only applies to Capital): N/A – Expense Only Project

Project Description

Each year, PG&E must make a number of minor enhancements to various technology applications to support process changes or new business requirements. This project includes the costs of minor enhancements across its HR systems, with a focus on SAP Success Factors, SAP On Premise and the other partner/integrated systems, which support PG&E's HR processes.

Justification

Small technology updates are a routine part of maintaining technology applications. These updates will allow PG&E to make small changes to its systems to reflect program or process changes, address changes in technology required due to upgrades or change interfaces to meet the requirements of external service providers.

Examples of projects completed in 2017 under the Small Technology Projects program included:

- Update the delegation of authority programmed into PG&E's SAP portal so that the appropriate review, approval, or rejection are obtained for requested employee pay changes before they become effective.
- Updated PG&E's employee change request system to not allow an employee to be paid below the market rate for their job classification. Applying market rates consistently is a component of ensuring that PG&E's pay practices are not discriminatory.
- Updated the employee change request related to the ending of a temporary assignment to allow supervisors to request a lump sum payment to employees with a single transaction. Eliminated additional work by field supervisors and provided increased assurance that pay policies are implemented consistently and fairly.
- Automated a step in the retirement process to create an employee record for new retirees. This update allows the benefits team to spend time answering retiree and employee questions instead of generating employee records.
- Improve the access controls and security of Employee Resource Group membership data.
- Update the employee performance management template in Success Factors.

PACIFIC GAS AND ELECTRIC COMPANY
Human Resources: HR Operations
Small Technology Projects

Cost

Project Spending Estimates
(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	\$247	\$129	\$300	\$300	\$250	\$250	\$800
Capital							
MWC 2F	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Benefits

- This project allows PG&E to continue to provide small enhancements to its systems to keep them current and to support new or changed processes.
- No specific cost savings or avoidance are forecast as a result of this project.

Alternatives Considered

Small Technology projects/minor enhancements are implemented to keep PG&E's systems up to date. Alternatives are

- Continue and add manual work arounds and audits as programs, processes, or requirements change.
- To replace systems more frequently, or larger technology projects as systems become out of date and no longer support processes.

PACIFIC GAS AND ELECTRIC COMPANY
Human Resources: HR Operations
Remedy Upgrade

Project Title: Remedy Upgrade (HR Component of ECP Enterprise ACD Lifecycle Replacement)

Major Work Categories: JV, 2F

Planning Order Numbers: 5258043, 5773440

Project Start Date: January 2017

Project Completion Date: May 2018

Operative Date (only applies to Capital): May 2018

Project Description

The HR Solution Center (HRSC) currently uses the Remedy tool as a case management system to track employee requests (cases) and in combination with software that manages the queue of people calling into the HRSC, routes those calls to the appropriate group or representative based on choices made by the caller. The IT Helpdesk (TSC) also uses this same tool. This project is to upgrade the existing software to a version that is supported by the vendor (current version is unsupported), upgrade the telephony hardware and software in PG&E's San Francisco corporate office to provide more consistent service delivery and deploy the Accenture Audit and Compliance tool for use by HR.

This project is part of a larger project where the Payroll Service Center will also begin to use the Remedy system.

Justification

The existing Remedy software is no longer supported by the vendor. This project upgrades PG&E's Remedy solution to use a current, supported version of the software.

In addition to moving to a supported version of the software, the project will also improve service delivery and efficiency by providing more flexibility and options in routing calls to the appropriate group or person the first time. Callers will also be asked to provide basic, identifying information which will allow the Remedy system to authenticate that the person calling is who they say they are and create an automatic case record, this will also reduce the amount of time that the HRSC and other HR employees spend on each call.

This upgrade also establishes a foundation for future deployment of a knowledge base which will allow PG&E to create a centralized repository (knowledge base) of information accessible to authorized employees who answer employee and pensioner inquiries. The knowledge base, when deployed will improve the consistency and accuracy of information provided to employees and pensioners. It will also serve as the foundation for the eventual deployment of automated tools to answer employee and pensioner questions instead of talking to a live person.

PACIFIC GAS AND ELECTRIC COMPANY**Human Resources: HR Operations****Remedy Upgrade**

The final part of this project is the deployment of the Accenture Audit and Compliance Tool. With this tool PG&E will be able to define specific rules or triggers that will generate a report of potential errors or items

that require additional review before further processing. Identifying potential errors early allows the HRSC to review and if necessary correct a record prior to downstream processes occurring.

Cost

PG&E used the Company's IT Project Estimating Tool (PET) to develop a cost estimate and document assumptions for this project. The forecast costs for this project, shown in the table below, are based on these assumptions. For further discussion on the PET, please see Exhibit (PG&E- 7), Chapter 8 and supporting workpapers. The specific output from the PET for this Project can be provided upon request.

Project Spending Estimates
(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	\$81	\$0	N/A	N/A	N/A	N/A	N/A
Capital							
MWC 2F	\$622	\$267	N/A	N/A	N/A	N/A	N/A

Benefits

Benefits associated with this project include:

- Improved efficiency for the HRSC with calls routed to the correct person the first time; up-front authentication of the person calling and auto-generation of Remedy records for each caller.
- Reduced wait-time for employees and pensioners or others contacting the HRSC.
- Improved record keeping with automated Remedy records generated with each call, PG&E will have a more complete set of records supporting employee and pensioner inquiries.
- Improved authentication which will reduce and in many cases, eliminate the need for employees and pensioners to transmit Personally Identifiable Information (PII) in e-mail communication or by leaving a voicemail message for the HRSC. This will reduce the data security risk for PII as the Remedy system is expected to be more secure than other methods of collecting or sharing PII.
- Improves service delivery for employees, pensioners, and other contacting the HRSC by reducing call wait times and providing more timely, consistent and accurate responses to their questions.
- PG&E will reduce its IT footprint and have more consistently-utilized solutions for call center technology by combining HR, IT Service Desk and Payroll onto the same, supported platform.

PACIFIC GAS AND ELECTRIC COMPANY**Human Resources: HR Operations****Remedy Upgrade**

Each call center will be able to smoothly redirect calls and tickets to the other contact centers when required.

Alternatives Considered

1. Upgrade Remedy solution and deploy the Accenture Audit and Compliance tool for HR – proposed.
2. Purchase or license a separate, HR or Payroll-specific, call-routing platform and ticketing system. Cost was expected to be significantly more than proposed project and the HRSC would need to develop expertise in the new system as they would not be able to leverage the existing expertise within the IT and Customer organizations.
3. Continue with current call routing technology and case management system. The unsupported software would become more prone to failure and most likely not continue to work as other technology was upgraded. This could result in the loss of all call routing and case management functionality. Do not deploy the auditing tool and continue to identify and build additional reports to catch errors and manually review selected data and transactions.

PACIFIC GAS AND ELECTRIC COMPANY
Human Resources: HR Operations
Non-Employee Workforce Vendor Management System

Project Title: Non-Employee Workforce Vendor Management System

Major Work Categories: JV/2F

Planning Order Numbers:

Project Start Date: 1/1/2017 - 9/20/2017 (RFI/RFP); 1/1/2018-12/31/2018 (Implementation)

Project Completion Date: 12/31/2018

Operative Date (only applies to Capital): 1/1/2019

Project Description

Implement a centralized repository of data on non-employee workers (contractors) working on behalf of PG&E. Integrate data and processes with all key PG&E systems currently storing non-employee worker data (including SAP HCM, SAP SRM / Ariba, Non-Employee Workforce Program (NEWP) Vendor Management System (Agile 1 Acceleration), Diablo Canyon Plant Information Management System (PIMS)). Develop an efficient process to enter transactional data into the system with appropriate process controls to ensure compliance, documentation and data integrity.

PG&E issued a Request for Proposals in the 4th quarter 2017 and selected the SAP Fieldglass vendor management system.

Justification

As PG&E relies on non-employee workers to perform critical and essential tasks, having a centralized single source of information about non-employee workers has become essential. Currently data related to non-employee workers is stored and maintained in a variety of systems including, SAP HCM, SAP SRM/Ariba, NEWP Vendor Management System, and PIMS. No one system contains all of the relevant and required information, and often transactions or records in these systems are incomplete as the non-employee worker data is a secondary process. In many cases, these systems do not contain all the controls that PG&E currently requires. Because NEWs perform critical and essential tasks, having a single system with complete data and all of the appropriate controls will help to mitigate risk.

A centralized system will also allow PG&E to monitor and manage the use of NEWs, including enforcement of worker eligibility and tenure management policies.

Cost

PG&E used the Company's IT Project Estimating Tool (PET) to develop a cost estimate and document assumptions for this project. The forecast costs for this project, shown in the table below, are based on these assumptions. For further discussion on the PET, please see Exhibit (PG&E- 7), Chapter 8 and supporting workpapers. The specific output from the PET for this Project can be provided upon request.

PACIFIC GAS AND ELECTRIC COMPANY
Human Resources: HR Operations
Non-Employee Workforce Vendor Management System

Project Spending Estimates

(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	\$269	\$361	N/A	N/A	N/A	N/A	N/A
Capital							
MWC 2F	\$231	\$1,192	N/A	N/A	N/A	N/A	N/A

Benefits

The project will provide benefits in three areas:

- Regulatory Compliance - centralized tracking of all non-employee workers and their qualifications will allow PG&E to ensure that all required training has been completed and that non-employee workers have the skills required for the work they will be performing.
- PG&E will be more easily able to comply and demonstrate compliance with federal export control restrictions and tracking requirements.
- Enables PG&E's ongoing affordability efforts related to the use of non-employee workers by providing full visibility to all non-employee workers and information regarding specific suppliers, rates, and tenure of workers.
- Net Financial Benefit – estimated companywide reduction of \$1 million per year in contract spend as controls are implemented to use preferred suppliers, eliminate the use of high rate contractors when other options are available and replace higher cost contractors with lower cost employees.

Alternatives Considered

1. Select and deploy an integrated vendor management system – recommended alternative.
2. Maintain status quo – continue using limited external system to track non-employee workers/contractors. This solution does not provide the ability to track all workers, and provides limited integration with other PG&E systems – preventing the implementation of integrated controls ensuring compliance with worker eligibility requirements, tenure management rules, financial limitations and supplier contract provisions.
3. Utilize SAP HCM to store all non-employee worker data – This alternative did not address all required functionality including allowing Hiring Managers to submit requisitions seeking contractor/agency support. This alternative also prevents the collection and management of supplier/vendor information, and integration with financial and supplier invoicing processes;
4. Utilize 3rd Party (non-integrated) vendor management system – This alternative does not provide end-to-end integration with other PG&E systems (the majority of which are SAP-based solutions or products) to accurately track ALL non-employees and ensure compliance with contract guidelines, purchase order and invoice reconciliation, and facilitate efficient on and offboarding of non-employee workers.

Table 2-1
Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Chapter 2
HR Operations
Expenses by Major Work Category
(Thousands of Nominal Dollars)

Line No.	MWC	Description	2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast [a]	2020 Forecast	Reference
1	JV	Maintain IT Apps & Infra	1,055		542	231	2,388	1,391	600	1,000	
2		Total	1,055	-	542	231	2,388	1,391	600	1,000	
IT Expense by Project											
3	JV	Online HR	-	-	-	-	-	901	300	700	WP 2-28
4	JV	Remedy Upgrade	-	-	-	-	81	-	-	-	WP 2-33
5	JV	Non-Employee Workforce Vendor Management System	-	-	-	2	269	361	-	-	WP 2-37
6	JV	Minor Enhancements	53	-	53	128	247	129	300	300	WP 2-31
7	JV	Other Projects	1,003	-	489	101	1,791	-	-	-	
8		Total	1,055	-	542	231	2,388	1,391	600	1,000	

[a] The amounts may vary from the values in the Results of the Operations (RO) model provided to the Public Advocates Office on November 1, 2018. Subsequent iterations of the RO model will be corrected to reflect the amounts represented here.

Table 2-2
Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Chapter 2
HR Operations
Expenses by Major Work Category
(Thousands of Base Year Dollars)

Line No.	MWC	Description	2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast [a]	2020 Forecast	Reference
1	JV	Maintain IT Apps & Infra	1,140		564	236	2,388	1,361	574	933	
2		Total	1,140	-	564	236	2,388	1,361	574	933	

[a] The amounts may vary from the values in the Results of the Operations (RO) model provided to the Public Advocates Office on November 1, 2018. Subsequent iterations of the RO model will be corrected to reflect the amounts represented here."

Table 2-1
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 2
HR Operations
Capital Expenditures by Major Work Category
(Thousands of Nominal Dollars)

No.	MWC	Description	Capital Expenditures										Reference
			2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast [a]	2019 Forecast	2020 Forecast	2021 Forecast [a]	2022 Forecast	
1	2F	Build IT Apps & Infra	2,604	3,211	3,926	334	2,623	3,359	503	881	1,250	1,507	
2	Total		2,604	3,211	3,926	334	2,623	3,359	503	881	1,250	1,507	
IT Capital by Project													
3	2F	Online HR	-	-	-	-	-	1,900	503	881	1,250	1,507	WP 2-28
4	2F	Remedy Upgrade	-	-	-	-	622	267	-	-	-	-	WP 2-33
5	2F	Non-Employee Workforce Vendor Mai	-	-	-	-	231	1,192	-	-	-	-	WP 2-37
6	2F	Other Projects	2,604	3,211	3,926	334	1,770	-	-	-	-	-	
7	Total		2,604	3,211	3,926	334	2,623	3,359	503	881	1,250	1,507	

[a] The amounts may vary from the values in the Results of the Operations (RO) model provided to the Public Advocates Office on November 1, 2018. Subsequent iterations of the RO model will be corrected to reflect the amounts represented here.

Table 2-3
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 2
HR Operations
Recorded CWIP and Forecast Capital Expenditures Details - Planning Orders Over \$3 Million*
(Thousands of Nominal Dollars)

Line	Planning	Order	Description	MWC	Operative	Date	CWIP 2017 Recorded Adjusted	Capital Expenditures					Subtotal	Reference
								2018	2019	2020	2021	2022		
No.								Forecast	Forecast	Forecast	Forecast	Forecast		
MWC 2F - Build IT Apps & Infra														
1	5779404		Enabling Online HR 2018 (C)	2F		Oct-2018		1,900					1,900	
2	5778778		Enabling Online HR 2019 (C)	2F		Oct-2019	-	-	503	-	-	-	503	
3	5778784		Enabling Online HR 2020 (C)	2F		Oct-2020	-	-	-	881	-	-	881	
4	5778785		Enabling Online HR 2021 (C)	2F		Oct-2021	-	-	-	-	1,250	847	2,097	
5	5778786		Enabling Online HR 2022 (C)	2F		Oct-2022	-	-	-	-	-	660	660	
6	2F Total						-	1,900	503	881	1,250	1,507	4,142	
Grand Total														
7							-	1,900	503	881	1,250	1,507	4,142	

* Planning orders where Construction Work in Progress (CWIP) Balance as of December 31, 2017 plus five years (2018-2022) of forecast expenditures exceeds \$3 Million.
Note that this table includes both single projects forecast to exceed \$3 million and programs with multiple smaller projects that in total are forecast to exceed \$3 million.

Table 2-2
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 2
HR Operations
Forecast Capital Expenditures Summary
(Thousands of Nominal Dollars)

Line No.	Description	2017 CWIP	Capital Expenditures			
			2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast
1	Planning Orders > \$3 Million*	-	-	503	881	1,250
2	Other Work	2,933	3,359	-	-	-
3	Total	2,933	3,359	503	881	1,250
						1,507

* Planning orders where Construction Work in Progress (CWIP) Balance as of December 31, 2017 plus five years (2018-2022) of forecast expenditures exceeds \$3 Million.

Table 2-4
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 2
HR Operations
Recorded and Forecast Capital Expenditures Details - Other Work*
(Thousands of Nominal Dollars)

Line No.	MWC	Description	Capital Expenditures										Reference
			2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	
1	2F	Build IT Apps & Infra	2,604	3,211	3,926	334	2,623	3,359	-	-	-	-	
3	Grand Total		2,604	3,211	3,926	334	2,623	3,359	-	-	-	-	WP 2-40

* Excludes projects greater than \$3M

**Pacific Gas and Electric Company 2020 General Rate Case
Actual and Forecast Headcount**

	Actual End of Year Headcount					Forecast End of Year Headcount				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Pacific Gas and Electric Company										
Management & Executive	7,767	8,026	7,922	8,259	7,692	8,255	8,251	8,156	8,145	8,124
Admin & Technical	981	1,065	1,516	1,440	1,132	1,025	1,014	1,000	998	991
Engr & Scientists of CA	2,984	3,036	3,313	3,453	3,504	3,486	3,433	3,582	3,538	3,498
IBEW Local 1245	12,081	11,743	11,595	11,618	11,545	11,220	11,038	10,969	10,937	10,908
SEIU & Security	268	261	263	250	252	228	202	190	156	156
Total Non-Management	16,314	16,105	16,687	16,761	16,433	15,959	15,687	15,741	15,629	15,553
Total All Employees	24,081	24,131	24,609	25,020	24,125	24,224	23,938	23,897	23,774	23,677
Strategy and Policy (Prev Ext Affairs & Pub Policy, Corporate Affairs), 2017 includes Regulatory Affairs										
Management & Executive	149	190	211	217	201	233	229	223	223	223
Admin & Technical	16	21	18	19	28	28	28	28	28	28
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management	16	21	18	19	28	28	28	28	28	28
Total Strategy and Policy Employees	165	211	229	236	229	261	257	251	251	251
Customer Care (Includes CRESS from 2017 onward)										
Management & Executive	1,369	1,305	1,265	1,247	1,193	1,349	1,320	1,310	1,310	1,310
Admin & Technical	78	74	124	125	104	45	45	45	45	45
Engr & Scientists of CA	14	16	18	14	21	18	2	2	2	2
IBEW Local 1245	2,287	2,116	1,894	1,975	2,068	1,880	1,755	1,755	1,755	1,755
SEIU & Security				0						
Total Non-Management	2,379	2,206	2,036	2,114	2,193	1,943	1,802	1,802	1,802	1,802
Total Customer Care Employees	3,748	3,511	3,301	3,361	3,386	3,292	3,122	3,112	3,112	3,112
Electric Operations, includes Transportation from 2017 forward										
Management & Executive	1,176	1,276	1,337	1,402	1,355	1,611	1,691	1,691	1,691	1,691
Admin & Technical	174	198	225	215	203	104	107	107	107	107
Engr & Scientists of CA	1,532	1,559	1,652	1,723	1,796	1,724	1,722	1,946	1,946	1,946
IBEW Local 1245	3,886	3,672	3,672	3,715	4,074	3,882	3,884	3,912	3,940	3,968
SEIU & Security										
Total Non-Management	5,592	5,429	5,549	5,653	6,073	5,710	5,713	5,965	5,993	6,021
Total Electric Operations Employees	6,768	6,705	6,886	7,055	7,428	7,321	7,404	7,656	7,684	7,712

**Pacific Gas and Electric Company 2020 General Rate Case
Actual and Forecast Headcount**

	Actual End of Year Headcount				Forecast End of Year Headcount					
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Energy Supply (Nuclear, Power Generation, Energy Procurement)										
Management & Executive	784	779	774	782	792	818	807	784	791	789
Admin & Technical	79	78	79	68	63	126	120	117	116	111
Engr & Scientists of CA	475	479	507	496	458	475	467	418	396	379
IBEW Local 1245	988	946	955	920	907	899	893	846	838	832
SEIU & Security	261	254	255	242	242	219	193	181	148	148
Total Non-Management	1,803	1,757	1,796	1,726	1,670	1,719	1,673	1,562	1,498	1,470
Total Energy Supply and Procurement Employees	2,587	2,536	2,570	2,508	2,462	2,537	2,480	2,346	2,289	2,259
Energy Supply - Nuclear (2013 included in Energy Supply total above)										
Management & Executive		387	398	412	418	409	398	376	383	381
Admin & Technical		12	11	10	14	25	20	18	18	18
Engr & Scientists of CA		335	352	337	305	312	304	256	235	218
IBEW Local 1245		457	461	433	436	426	424	380	375	384
SEIU & Security		254	255	242	242	219	193	181	148	148
Total Non-Management		1,058	1,079	1,022	997	982	941	835	776	768
Total Nuclear Employees		1,445	1,477	1,434	1,415	1,391	1,339	1,211	1,159	1,149
Energy Supply - Power Generation (2013 included in Energy Supply total above)										
Management & Executive		116	114	128	123	99	99	99	99	99
Admin & Technical		26	28	23	21	73	72	71	70	65
Engr & Scientists of CA		144	155	159	153	163	163	162	161	161
IBEW Local 1245		489	494	487	471	473	469	466	463	448
SEIU & Security										
Total Non-Management		659	677	669	645	709	704	699	694	674
Total Power Generations Employees		775	791	797	768	808	803	798	793	773
Energy Procurement (2013 included in Energy Supply total above, includes Grid Innovation as of March 2017)										
Management & Executive		276	262	242	251	310	310	309	309	309
Admin & Technical		40	40	35	28	28	28	28	28	28
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management		40	40	35	28	28	28	28	28	28
Total Energy Procurement Employees		316	302	277	279	338	338	337	337	337

**Pacific Gas and Electric Company 2020 General Rate Case
Actual and Forecast Headcount**

	Actual End of Year Headcount					Forecast End of Year Headcount				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gas Operations, includes aviation from 2017 forward										
Management & Executive	1,108	1,265	1,398	1,535	1,372	1,456	1,428	1,413	1,399	1,385
Admin & Technical	144	162	183	163	160	173	166	162	158	156
Engr & Scientists of CA	546	565	671	720	733	774	749	725	704	683
IBEW Local 1245	3,050	3,184	3,355	3,308	3,272	3,380	3,352	3,326	3,297	3,268
SEIU & Security										
Total Non-Management	3,740	3,911	4,209	4,191	4,165	4,327	4,267	4,213	4,159	4,107
Total Gas Operations Employees	4,848	5,176	5,607	5,726	5,537	5,783	5,695	5,626	5,558	5,492
Enterprise Programs (dispersed from 2017 forward)										
Management & Executive			49	179						
Admin & Technical			6	5						
Engr & Scientists of CA			0	0						
IBEW Local 1245			0	1						
SEIU & Security										
Total Non-Management			6	6						
Total Enterprise Programs Employees			55	185						
Finance & Risk										
Management & Executive	488	502	378	361	379	384	374	355	355	355
Admin & Technical	29	26	121	111	78	78	76	73	77	77
Engr & Scientists of CA	0	0	0	0	0	0	0	0	0	0
IBEW Local 1245	20	16	18	14	12	12	11	11	11	11
SEIU & Security				0						
Total Non-Management	49	42	139	125	90	90	87	84	88	88
Total Finance & Risk Employees	537	544	517	486	469	474	461	439	443	443
General Counsel (includes Land/Environment from 2017 forward)										
Management & Executive	120	114	114	112	465	451	445	433	433	433
Admin & Technical	58	55	52	49	48	33	36	33	33	33
Engr & Scientists of CA	0	0	0	0	353	355	355	355	355	355
IBEW Local 1245	0	0	0	0	69	74	74	74	74	74
SEIU & Security										
Total Non-Management	58	55	52	49	470	462	465	462	462	462
Total General Counsel Employees	178	169	166	161	935	913	910	895	895	895

**Pacific Gas and Electric Company 2020 General Rate Case
Actual and Forecast Headcount**

	Actual End of Year Headcount					Forecast End of Year Headcount				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Human Resources										
Management & Executive	364	383	331	345	287	311	310	306	306	306
Admin & Technical	156	182	199	164	102	103	103	103	103	103
Engr & Scientists of CA	0	0	0	0	0	0	0	0	0	0
IBEW Local 1245	2	2	2	7	0	0	0	0	0	0
SEIU & Security										
Total Non-Management	158	184	201	171	102	103	103	103	103	103
Total Human Resources Employees	522	567	532	516	389	414	413	409	409	409
IT (includes Supply Chain from 2017 forward)										
Management & Executive	1,345	1,371	1,121	1,135	1,293	1,293	1,293	1,293	1,293	1,293
Admin & Technical	146	154	372	391	295	295	295	295	295	295
Engr & Scientists of CA	40	37	75	79	103	103	103	103	103	103
IBEW Local 1245	199	206	194	197	592	592	592	592	592	592
SEIU & Security										
Total Non-Management	385	397	641	667	990	990	990	990	990	990
Total IT Employees	1,730	1,768	1,762	1,802	2,283	2,283	2,283	2,283	2,283	2,283
Regulatory Affairs (in Strategy and Policy from 2017 forward)										
Management & Executive	146	133	138	141						
Admin & Technical	29	33	32	30						
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management	29	33	32	30						
Total Reg Affairs Employees	175	166	170	171						
Safety & Shared Services (Split up from 2017 forward)										
Management & Executive	544	570	665	658						
Admin & Technical	51	64	84	74						
Engr & Scientists of CA	337	337	346	380						
IBEW Local 1245	896	907	875	897						
SEIU & Security			0	0						
Total Non-Management	1,284	1,308	1,305	1,351						
Total Safety & Shared Services Employees	1,828	1,878	1,970	2,009						
Safety, Health and Enterprise CAP										
Management & Executive					202	219	219	219	219	219
Admin & Technical					25	19	19	19	19	19
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management					25	19	19	19	19	19
Total Safety, Health and Ent CAP Employees					227	238	238	238	238	238

**Pacific Gas and Electric Company 2020 General Rate Case
Actual and Forecast Headcount**

	Actual End of Year Headcount					Forecast End of Year Headcount				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
CEO Office & Corp Strategy (2016 includes Ethics & Compliance)										
Management & Executive			10	19	0	8	8	7	7	7
Admin & Technical			2	5	1	1	1	1	1	1
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management			2	5	1	1	1	1	1	1
Total CEO Office Employees			12	24	1	9	9	8	8	8
President Office & Util Strategy										
Management & Executive	23	5	1		3	3	3	3	3	3
Admin & Technical	3	3	0		1	1	1	1	1	1
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management	3	3	0		1	1	1	1	1	1
Total Pres Office Employees	26	8	1		4	4	4	4	4	4
Ethics and Compliance										
Management & Executive					24	27	27	27	27	27
Admin & Technical					3	1	1	1	1	1
Engr & Scientists of CA										
IBEW Local 1245										
SEIU & Security										
Total Non-Management					3	1	1	1	1	1
Total Ethics and Compliance Employees					27	28	28	28	28	28

**Pacific Gas and Electric Company 2020 General Rate Case
Actual and Forecast Headcount**

	Actual End of Year Headcount					Forecast End of Year Headcount				
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Long Term Disability (LTD)										
Management & Executive	137	133	130	126	111	102	97	92	88	83
Admin & Technical	15	15	19	21	19	18	16	15	14	14
Engr & Scientists of CA	39	43	44	41	40	37	35	33	32	30
IBEW Local 1245	740	694	630	584	546	501	477	453	430	408
SEIU & Security	7	7	8	8	10	9	9	9	8	8
Total Non-Management	801	759	701	654	615	565	537	510	484	460
Total LTD Employees	938	892	831	780	726	667	634	602	572	543
Redeployment/Transitional Leave and Other (included in HR from 2017 forward)										
Management & Executive	14				15					
Admin & Technical	3				2					
Engr & Scientists of CA	1				0					
IBEW Local 1245	13				5					
SEIU & Security										
Total Non-Management	17				7					
Total Redeployment and Other Employees	31				22					
Non-Utility Companies										
PG&E Corp	10	10	12	25	19	18	18	18	18	18
PSUP2	3	3	3	3	3	3	3	3	3	3
PSUP	0	0	0	0	0	0	0	0	0	0
Total Non-Utility Employees	13	13	15	28	22	21	21	21	21	21

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
EXHIBIT (PG&E-8) HUMAN RESOURCES

WORKPAPERS SUPPORTING
CHAPTER 3, HR SERVICE DELIVERY AND INCLUSION

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Allison Neves

03/28/19
Date

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
3) HR Service Delivery & Inclusion

Schedule D1
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923)
Nominal Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast				Ref
		2013	2014	2015	2016	2017	2018	2019	2020		
3) HR Service Delivery & Inclusion											
1	920 - Admin & Gen Salaries	20,848	20,812	21,037	20,899	17,995	17,577	18,183	18,442		
2	921 - Office Supplies & Ex	2,905	1,871	2,070	1,794	967	696	696	696		
3	923 - Outside Svc Employ - Utility	4,514	2,869	2,305	2,166	2,254	3,755	3,745	3,855		
4	923 - Outside Svc Employ - Corp (a)	0	0	0	0	0	0	0	0		
5	Total	28,268	25,552	25,412	24,859	21,216	22,028	22,624	22,992		
6	Change from Prior Year		(2,716)	(139)	(553)	(3,643)	812	596	368	Sch. D3	

(a) Forecast for 923-Corp has been reduced by 1% to reflect work performed for Non-Utility Affiliates, for additional details about the Non-Utility Affiliate reduction please refer to Exhibit (PG&E-9), Chapter 9, A&G Ratemaking Adjustments.

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
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3) HR Service Delivery & Inclusion

Schedule D2
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923)
Base Year Dollars
(\$000s)

Line	Description	2013	2014	2015	2016	2017	2018	2019	2020
3) HR Service Delivery & Inclusion									
1	920 - Admin & Gen Salaries	23,570	22,846	22,427	21,601	17,995	17,019	17,046	16,740
2	921 - Office Supplies & Ex	3,072	1,948	2,124	1,821	967	684	671	657
3	923 - Outside Svc Employ - Utility	4,772	2,988	2,366	2,198	2,254	3,692	3,610	3,640
4	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0
5	Total	31,414	27,782	26,917	25,621	21,216	21,395	21,328	21,036
6	Change from Prior Year		(3,631)	(866)	(1,296)	(4,405)	180	(68)	(291)

Escalation Factor ^[1] ^[2] ^[3]	2013	2014	2015	2016	2017	2018	2019	2020
920 - Admin & Gen Salaries	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
921 - Office Supplies & Ex	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
923 - Outside Svc Employ - Utility	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
923 - Outside Svc Employ - Corp	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
	Base Year							

[1] Base Dollar = Nominal Dollar (from Schedule D1)/Annual Escalation Factor

[2] See Exhibit (PG&E-8) - Human Resources, Ch. 4 - Total Rewards, STIP, Non-qualified Retirement and Labor Escalations.

[3] See Exhibit (PG&E-12) - General Report, Ch. 4 - Escalation Rates.

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
3) HR Service Delivery & Inclusion

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2013 to 2014	Recorded Adjusted	28,268	20,848	2,905	4,514			Sch. D1, Line 5
	Labor	(543) 582	(543) 582				Decrease of 7.6 FTE from 2013 to 2014 end of year, including transfer of recruiting operations to HR Operations Labor escalation.	
	Materials	(8)		(8)			Immaterial Variance.	
	Contracts	(1,398)			(1,398)		Decrease primary due to reduction in use of temporary workers.	
	Corporation Charges							
	Employee-Related	(619)		(619)			Decrease due to one time fee in 2013 to set up Taleo Archive (former recruiting system) and reduction in new hire background checks.	
	Other	(730)	(75)	(408)	(247)		Decrease primarily due to reduction of contract support for Office Federal Contract Compliance Program (OFCCP) Audit and reduction in employee training offered in the MBA program.	
Net Change		(2,716)	(36)	(1,035)	(1,646)			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account					Explanation	Ref
		Amount	920	921	923-Utility	923-Corp		
2014	Recorded Adjusted	25,552	20,812	1,871	2,869			Sch. D1, Line 5
to	Labor	80	80				Labor escalation of \$581 thousand, offset by decrease in 1 FTE and recruiting labor shown in Other category below.	
2015	Materials	(14)		(14)			Immaterial Variance	
	Contracts	(644)			(644)		Decrease primarily due to reduction in use of temporary workers and consulting services.	
	Corporation Charges							
	Employee-Related	116 (173)		116 (173)			Primarily due to an increase in Employee Rewards & Recognition Program. Decrease in Employee Training costs.	
	Other	495	145	270	80		Increase primarily due to recruitment support including labor charged to orders and development and implementation of a high potential program.	
	Net Change	(139)	225	199	(564)			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type Recorded Adjusted	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2015 to 2016	Labor	25,412 (183) 644	21,037 (183) 644		2,305		Decrease of 1.6 FTEs year over year. Labor escalation.	Sch. D1, Line 5
	Materials	(28)		(28)			Primarily due to a reduction in office supplies and computer parts.	
	Contracts	(81) 411 (62)			(81) 411 (62)		Decrease in external employee investigation costs. Increase in use of temporary workers to support recruiting. Primarily due to completion of PowerPathway™ Gas program in 2015, with resulting decrease in consulting support.	
	Corporation Charges							
	Employee-Related	(166) (44) (89)					Decrease in Cellular, Telephone, and Pager related costs. Decrease in employee travel related and mileage costs. Primarily due to a reduction in employee Rewards and Recognition costs.	
	Other	(954)	(599)		(407)		Decrease in recruiting support charged to orders, reduction in High Potential program support costs, offset partially by an increase in training provided as part of the MBA program.	
	Net Change	(553)	(138)	(275)	(140)			Sch. D1, Line 6

Pacific Gas and Electric Company
2020 General Rate Case
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3) HR Service Delivery & Inclusion

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2016 to 2017	Recorded Adjusted	24,859	20,899	1,794	2,166			Sch. D1, Line 5
	Labor	(3,778)	(3,778)				Decrease of 36 FTEs year over year, decrease in most functions. Labor escalation.	
		662	662					
	Materials	(68)		(68)			Decrease in Office Supplies.	
	Contracts	(1,223)			(1,223)		Decrease in use of temporary workers. Increase in consulting services to support recruiting marketing review, Corporate Executive Board services, and leadership development. Increase external employee investigation costs.	
		270			270			
		145			145			
	Corporation Charges							
	Employee-Related	(359)		(359)			Primarily due to a decrease in employee travel and training related expenses.	
	Other	708	212	(400)	896		Increase primarily to support the Leading Forward program.	
	Net Change	(3,643)	(2,904)	(827)	88			Sch. D1, Line 6

Pacific Gas and Electric Company
2020 General Rate Case
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3) HR Service Delivery & Inclusion

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account					Explanation	Ref
		Amount	920	921	923-Utility	923-Corp		
2017	Recorded Adjusted	21,216	17,995	967	2,254			Sch. D1, Line 5
to	Labor	(679)	(679)				Labor escalation of \$590 thousand, offset by a decrease in headcount.	
2018	Materials	(1)		(1)			Immaterial Variance	
	Contracts	(1,219)			(1,219)		See discussion in "Other" below.	
	Corporation Charges							
	Employee-Related	(171)		(171)			Forecast decrease in employee related costs.	
	Other	162	261	(99)	(0)		FERC 920: Labor for MBA summer interns, previous years labor shown in labor category above. FERC 923: Net forecast contract cost increases of \$1.5 Million include support for diversity outreach (\$400k), external employee investigations costs (\$410k), Leading Forward program (\$150k), and labor negotiations support.	
	Net Change	812	(418)	(271)	1,502			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year 2018 to 2019	Cost Type Recorded Adjusted	Amount	FERC Account				Explanation	Ref Sch. D1, Line 5
			920	921	923-Utility	923-Corp		
		22,028	17,577	696	3,755			
	Labor	278	278				MBA Interns forecast in Labor, offset shown in Other Category below. Labor escalation.	
		573	573					
	Materials							
	Contracts							
	Corporation Charges							
	Employee-Related							
	Other	(245)	(245)		(0)		FERC 920: MBA Interns forecast in Labor category above. FERC 923: Immaterial variance.	
		(10)			(10)			
	Net Change	596	606		(10)			Sch. D1, Line 6

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account					Explanation	Ref
		Amount	920	921	923-Utility	923-Corp		
2019 to 2020	Recorded Adjusted	22,624	18,183	696	3,745			Sch. D1, Line 5
	Labor	258	258				Labor escalation, offset partially by a 1 FTE forecast reduction as a result of Online HR program.	
	Materials							
	Contracts							
	Corporation Charges							
	Employee-Related							
	Other	110	(0)		110		FERC 923: Forecast increase in consulting support for Leading Forward program and MBA program.	
	Net Change	368	258		110			Sch. D1, Line 6
2020	Forecast	22,992	18,442	696	3,855			Sch. D1, Line 5

PACIFIC GAS AND ELECTRIC COMPANY
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Exhibit (PG&E-8), Human Resources
3) HR Service Delivery & Inclusion

Schedule D4
Historical Adjustments
Nominal Dollars
(\$000s)

Purpose: This schedule shows the calculation of the Recorded Adjusted costs appearing on Schedule D1. Line 1 shows the total Recorded costs for each of the historical years, and Lines 2 through 6 show the adjustments made to determine the Recorded Adjusted costs. The two types of adjustments are: (1) Reorganizations, which reflect the movement of employees or contracts from one department to another; and (2) Other Adjustments, which relate to costs excluded from the GRC forecast of the department.

Line	Description	2013	2014	2015	2016	2017	Ref
1	Recorded	28,268	25,552	25,412	24,859	21,216	Sch. D6, Line 5
	<u>Adjustments:</u>						
2	<u>Reorganizations</u>						
2a							
2b							
2c							
2d							
2e							
2f							
2g							
2h							
2i							
2j							
2k							
2l							
3	Subtotal Reorganizations	0	0	0	0	0	
4	<u>Other Adjustments</u>						
4a							
4b							
4c							
5	Subtotal Other Adjustments	0	0	0	0	0	
6	Total Adjustments (line 3 + line 5)	0	0	0	0	0	Sch. D6, line 10
7	Recorded Adjusted (line 1 + line 6)	28,268	25,552	25,412	24,859	21,216	Sch. D1, line 5

PACIFIC GAS AND ELECTRIC COMPANY
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Schedule D5
Explanations of Historical Adjustments to Support Schedule D4

Table 1: This table provides the business purpose of each Reorganization adjustment on Schedule D4.

	Sch. D4 Adj Line	From Department	To Department	Explanation (e.g. Business purpose of the adjustment)
1				
2				
3		No historical adjustments for this chapter		
4				
5				
6				

Table 2: This table provides the business purpose of each Other adjustment on Schedule D4.

7				
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PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
3) HR Service Delivery & Inclusion

Schedule D6
Historical Adjustments by FERC Account
Nominal Dollars
(\$000s)

Purpose: This schedule provides a summary of all Historical Adjustments by FERC Account

Line	Description	2013	2014	2015	2016	2017	Ref
RECORDED BY FERC ACCOUNT							
1	920 Admin & Gen Salaries	20,848	20,812	21,037	20,899	17,995	
2	921 Office Supplies & Ex	2,905	1,871	2,070	1,794	967	
3	923 Outside Services - Utility	4,514	2,869	2,305	2,166	2,254	
4	923 Outside Services - Corp	0	0	0	0	0	
5	Total Recorded	28,268	25,552	25,412	24,859	21,216	Sch. D4, line 1
ADJUSTMENTS BY FERC ACCOUNT							
6	920 Admin & Gen Salaries	<i>No historical adjustments for this chapter</i>					
7	921 Office Supplies & Ex						
8	923 Outside Services - Utility						
9	923 Outside Services - Corp						
10	Total Adjustments	0	0	0	0	0	Sch. D4, line 6
RECORDED ADJUSTED BY FERC ACCOUNT							
11	920 Admin & Gen Salaries	20,848	20,812	21,037	20,899	17,995	
12	921 Office Supplies & Ex	2,905	1,871	2,070	1,794	967	
13	923 Outside Services - Utility	4,514	2,869	2,305	2,166	2,254	
14	923 Outside Services - Corp	0	0	0	0	0	
15	Total Recorded Adjusted	28,268	25,552	25,412	24,859	21,216	Sch. D1, line 5

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
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Schedule D7
Summary of Vacancy Savings Calculation
Nominal Dollars
(\$000s)

Purpose: This schedule shows labor and vacancy savings.

Line	Description	2018	2019	2020	Ref
FERC Account 920 - Admin & Gen Salaries					
1	Direct Labor ^[a]	18,161	19,013	19,271	
2	Labor Vacancy Savings ^[b]	(829)	(829)	(829)	
3	Indirect Labor ^[c]	245	(1)	(1)	
4	Total Labor (FERC Account 920)	<u>17,577</u>	<u>18,183</u>	<u>18,442</u>	Sch. D1, Line 1

[a] Direct Labor is the salaries associated with department employees

[b] Labor vacancy savings was calculated based on the financial view organization for organizations with more than 50 people and PCCs with more than 10 people.
The vacancy savings calculation is as follows:

$$\frac{\text{average open requisitions for a four month period}}{\text{budgeted headcount}} \times \text{Planned Labor} = \frac{\text{xx}}{\text{yy}}$$

[c] Indirect labor is the labor associated with interdepartmental services.

PACIFIC GAS AND ELECTRIC COMPANY
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Schedule D8
Calculation of Capitalization Rate
Nominal Dollars
(\$000s)

Purpose:

-This schedule shows the capitalization rate for the Department. Corporate Services witnesses identified work performed by their organization that could be eliminated if there were no new or ongoing construction activities being performed by the Company.
-The capitalization rates are then used to calculate an aggregate Labor and M&S Transfer to Construction rate that would be applied to all Corporate Service Organizations. The results are shown in the workpapers supporting Exhibit (PG&E-10) Results of Operations, Chapter 7 Administrative and General Expense (FERC Account 922 - Transfer to Construction).

Summary

Line	Description	Amount
1	FERC Account 920 - Admin and General Salaries	18,442
2	Imputed transfer to construction - Labor rate	43.90%
3	Total Transfer to Construction - Labor \$	8,096
4	FERC Account 921 - Office Supplies and Expenses	696
5	Imputed transfer to construction - Materials & Supplies (M&S) rate	43.90%
6	Total Transfer to Construction - M&S \$	306

Calculated Transfer to Construction - Labor, by Cost Center:

Line	PCC	Description	A	B	C = A * B	Ref
			FERC 920	Capital Allocation %	Capital Allocation \$	
7	10382	HR Business Partners	5,197	43.90%	2,281	
8	12566	Talent Acquisition & Mobility	4,333	43.90%	1,902	
9	13648	Labor Operations	4,140	43.90%	1,817	
10	13998	Diversity & Inclusion Office	1,621	43.90%	712	
11	14084	MBA Program	2,707	43.90%	1,188	
12	14145	HR VP-HR Labor Relations and HR Delivery	444	43.90%	195	
13	Total		18,442		8,096	
14	Imputed transfer to construction - Labor Rate (Capital Allocation \$ / FERC 920)			43.90%		

Calculated Transfer to Construction - Materials & Supplies (M&S), by Cost Center:

Line	PCC	Description	A	B	C = A * B	Ref
			FERC 921	Capital Allocation %	Capital Allocation \$	
15	10382	HR Business Partners	124	43.90%	55	
16	12566	Talent Acquisition & Mobility	131	43.90%	57	
17	13648	Labor Operations	92	43.90%	41	
18	13998	Diversity & Inclusion Office	123	43.90%	54	
19	14084	MBA Program	189	43.90%	83	
20	14145	HR VP-HR Labor Relations and HR Delivery	36	43.90%	16	
21	Total		696		306	
22	Imputed transfer to construction - M&S Rate (Capital Allocation \$ / FERC 921)			43.90%		

Line	PCC	Explanation of Calculation	Ref
23		The cost centers in HR Services Delivery & Inclusion support the entire company's workforce, therefore it is appropriate to use the total company labor capitalization factor for these cost centers.	

PACIFIC GAS AND ELECTRIC COMPANY
 2020 GENERAL RATE CASE
 Exhibit (PG&E-8), Human Resources
 Human Resources Organization
 3) HR Service Delivery & Inclusion

Schedule FTE
 Full Time Equivalent (FTE) Forecast

Purpose: This schedule shows the Full Time Equivalent (FTE) forecast for the department.
Section 1 shows the year-end FTEs and vacancies for each Department in the base year, and the total forecast FTEs through the test year.
Section 2 shows the year over year changes in FTEs for each Department through the test year.

		A	B	C=(A+B)	D	E	F
Line	Description	2017 Year-End FTE	2017 Vacancies	2017 Year End FTE + Vacancies	2018 Forecast	2019 Forecast	2020 Forecast
Section 1: FTE by Department							
1	3) HR Service Delivery & Inclusion	134.0	20.0	154.0	141.0	141.0	140.0
Section 2: Year Over Year FTE Changes by Department							
2	3) HR Service Delivery & Inclusion				(13.0)	-	(1.0)

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Schedule FTE Vacancy
Year Over Year FTE Changes

Purpose: This schedule explains the year over year changes in the Full Time Equivalent (FTE) forecast.

2017 to 2018			
Line	Department	Inc/(Dec)	Explanation

1	3) HR Service Delivery & Inclusion	(13.0)	Elimination of positions throughout the organization, including HR Business Partner organization, labor operations, and recruiting.
---	------------------------------------	--------	---

2018 to 2019			
Line	Department	Inc/(Dec)	Explanation

2	3) HR Service Delivery & Inclusion	0.0	N/A
---	------------------------------------	-----	-----

2019 to 2020			
Line	Department	Inc/(Dec)	Explanation

3	3) HR Service Delivery & Inclusion	(1.0)	Decrease of 1 FTE in the HR Solution Center as a result of the Online HR project.
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**PACIFIC GAS AND ELECTRIC COMPANY
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Exhibit (PG&E-8) Human Resources**

**Workpapers Supporting
Chapter 3, HR Services - Workforce Transition Program**

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PACIFIC GAS AND ELECTRIC COMPANY
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Exhibit (PG&E-8) Human Resources

Workpapers Supporting
Chapter 3, HR Services - Workforce Transition Program

Historical and Forecast Expenses
Nominal and Base Year Dollars
(\$000s)

Line	Description	Resource	2013	2014	2015	2016	2017	2018	2019	2020
1	Severance Payments	LAB	15,193	10,318	6,866	4,758	29,184	14,443	14,917	15,407
2	Transitional Pay	LAB	2,226	2,204	1,040	648	5,628	2,549	2,633	2,719
3			-	-	-	-	-	-	-	-
4	Outplacement Assistance	M&S	536	613	335	81	1,536	644	657	671
5	Total		17,955	13,135	8,241	5,487	36,347	17,637	18,207	18,797
6	Year to Year Change			(4,820)	(4,894)	(2,755)	30,861	(18,710)	570	589
7	Escalation Factor	LAB	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
8	Escalation Factor	M&S	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
9	Escalation Factor	OTH	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
10	Escalation Factor	Medical	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
11	Escalation Factor	Wage-related	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
Base Year Dollars										
12	Severance Payments	LAB	17,176	11,327	7,320	4,918	29,184	13,985	13,985	13,985
13	Transitional Pay	LAB	2,516	2,419	1,109	670	5,628	2,469	2,469	2,469
14										
15	Outplacement Assistance	M&S	567	639	344	82	1,536	633	633	633
16	Total		20,260	14,384	8,772	5,670	36,347	17,087	17,087	17,087
Calculation of Base Year \$ Forecast										
<i>Forecast Methodology: 5 Year Average (2013 - 2017)</i>										
(Base Year \$ 2017)										
Severance Payments										
Transitional Pay										
Outplacement Assistance										
Total Base Year \$ Forecast										
17,087										

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources

Workpapers Supporting
Chapter 3, HR Services - Workforce Transition Program

Historical Adjustments
Nominal Dollars
(\$000s)

Line	Description	2013	2014	2015	2016	2017	Explanation	Ref
<u>Recorded</u>								
1	Severance & Redeployment Payments	27,171	14,292	6,758	50,606	16,686		
2								
3	Materials & Supplies	65	79	53	2	35		
4	Outplacement Assistance	477	580	333	78	1,737		
5	Total Recorded	27,714	14,951	7,143	50,685	18,458		

<u>Adjustments</u>								
6	Severance & Redeployment Payments	(9,752)	(1,770)	1,149	(45,200)	18,126	Remove non-program costs and adjust to current program design	
7								
8	Materials & Supplies	(65)	(79)	(53)	(2)	(35)	Remove non-program costs.	
9	Outplacement Assistance	59	33	2	4	(202)	Remove non-program costs and accrual to cash conversion.	
10	Total Adjustments	(9,759)	(1,816)	1,098	(45,198)	17,890		

<u>Recorded Adjusted</u>								
11	Severance Payments	15,193	10,318	6,866	4,758	29,184		
12	Transitional Pay	2,226	2,204	1,040	648	5,628		
13	Total Severance and Redeployment	17,419	12,522	7,907	5,406	34,812		
14								
15	Materials & Supplies	-	-	-	-	-		
16	Outplacement Assistance	536	613	335	81	1,536		
17	Total Recorded Adjusted	17,955	13,135	8,241	5,487	36,347		

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources

Workpapers Supporting
Chapter 3, HR Services - Workforce Transition Program

Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Line	Description	Amount	Comments, Assumptions, Descriptions
1	2013 Recorded Adjusted	\$17,955	
2			
3	Reduced number of severances	(4,820)	28 fewer severances in 2014 as compared with 2013. Different mix of employees.
4			
5			
6			
7			
8			
9			
10	2014 Recorded Adjusted	\$13,135	
11			
12	Reduced number of severances	(4,894)	75 fewer severances in 2015 as compared with 2014. Different mix of employees.
13			
14			
15			
16			
17			
18			
19	2015 Recorded Adjusted	\$8,241	
20			
21	Reduced number of severances	(2,755)	21 fewer severances in 2016 as compared with 2015. Different mix of employees.
22			
23			
24			
25			
26			
27			
28	2016 Recorded Adjusted	\$5,487	
29			
30	Increased number of severances	30,861	344 more severances in 2017 as compared with 2016. Different mix of employees.
31			
32			
33			
34			
35			
36			
37	2017 Recorded Adjusted	\$36,347	
38			
39	Forecast based on 5 year average	(19,261)	Five year average severance forecast is less than 2017 recorded adjusted.
40	Escalation	550	Escalation rates applied to average.
41			
42			
43			
44			
45			
46	2018 Forecast	\$17,637	
47			
48	Escalation	570	Escalation rates applied to average.
49			
50			
51			
52			
53			
54			
55	2019 Forecast	\$18,207	
56			
57	Escalation	589	Escalation rates applied to average.
58			
59			
60			
61			
62			
63	2020 Forecast	\$18,797	

**PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources**

**Workpapers Supporting
Chapter 3, HR Services - Workforce Transition Program**

Company-Wide Expense: Workforce Transition Program

Forecast Methodology/Assumptions:

- 1. Uses severance data from 2013 - 2017 to calculate five year average.*
- 2. Does not include severances paid to meter readers or executives.*
- 3. Assumes that current Workforce Transition program is in place (maximum payment reduced in 2016).
Historic data adjusted to reflect current program.*
- 4. Assumes 45-day redeployment period (60 day period may occur in some instances under PG&E's
program) during which employee receives transitional pay.*



Workforce Transition

Handbook for Support, Professional, and Leadership Level Employees

Revision Date: July 17, 2017

2017

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INTRODUCTION

This handbook has been prepared to provide you with information about the Company's Workforce Transition Plan and contains details related to severance programs and available benefits. The section on retirement applies to employees 55 years of age or older at the time employment with PG&E ends.

Please read and consider the information carefully. If you have any questions, please call the Human Resources Solutions Center at extension 8-223-HELP (4357) or externally at 415-973-HELP (4357), or submit a request at <http://AskHR>. For any benefits questions please call 866-271-8144. You will be contacted within one business day.

SEVERANCE PROGRAMS

There are two types of severance programs, Involuntary Targeted Severance and Targeted Voluntary Severance.

Involuntary Targeted Severance Program/Redeployment

All employees placed in the Redeployment Program have either a 45- or 60-day paid consideration period from the date they are notified their position will be eliminated to choose if they want to elect severance. The length of the consideration period provided an employee is dependent upon whether the elimination of the employee's position falls under the provisions of the Worker Adjustment and Retraining Notification (WARN) Act.

If you are eligible for Redeployment, the first thing you should do is review your redeployment package to determine whether your consideration period is 45 or 60 days. If you are unsure of your consideration period, contact the Human Resources Solutions Center at extension 223-HELP or (415) 973-HELP (4357) or submit a request at <http://AskHR>.

During your consideration period, you need to review your severance agreement and related transition materials and at your discretion explore other career opportunities. If you decide to take the redeployment package, then you must complete and sign the *Severance Agreement and Release* prior to the end of your assigned consideration period in order to receive the lump sum severance payment. You have seven days from the date you sign and return your Agreement to revoke your decision. If you sign your Agreement early and the revocation period has passed, all proceeds will be distributed one calendar day following the effective date of the Agreement. Your final pay, vacation payout and lump sum payment will not be made to you prior to the expiration of your consideration period (45 or 60 days). If the seven-day revocation period has not expired, the severance payout will be held for the expiration of this period, and only final pay and vacation will be distributed on the last day of your consideration period, which is your last day on the PG&E payroll.

After receiving displacement notification, if you choose to search for alternate employment, you may immediately contact the outplacement firm. The outplacement firm offers assistance with résumé preparation, interviewing skills training and one-on-one counseling services to help you identify job opportunities.

During your time in the Redeployment Program, you may continue posting for internal jobs or interviewing externally for opportunities. If you accept a position within Pacific Gas and Electric Company (including Hiring Hall), PG&E Corporation, any PG&E affiliate, or as a non-employee worker assigned to Pacific Gas and Electric Company, you forfeit your severance benefit option and your redeployment period will end. If you are selected for a Pacific Gas and Electric Company vacancy which requires relocation, you may be extended relocation benefits to assist you in your move.

You must submit your final expenses for company business to your current supervisor on the date of your redeployment notification.

TARGETED VOLUNTARY SEVERANCE PROGRAM

If you are a participant in the Targeted Voluntary Severance Program, you have up to 45 days to consider your Severance Agreement and Release and decide if you wish to sign the Agreement and receive a lump sum severance payment. Employees who participate in the Targeted Voluntary Severance Program are not eligible to participate in the Redeployment Program.

In order to receive a lump sum severance payment, you must complete and sign the *Severance Agreement and Release* prior to the end of the 45-day consideration period. You have seven days from the date you sign and return your Agreement to revoke your decision. If you sign your Agreement early and the revocation period has passed, your payment will be distributed one calendar day following the effective date of the agreement. Your lump sum payment will not be made to you prior to the expiration of the seven-day revocation period.

Targeted Voluntary Severance participants are eligible for outplacement benefits. Following your final day of employment and receipt of your Severance Agreement and Release, you may contact the outplacement firm. The outplacement firm offers assistance with résumé preparation, interviewing skills training and one-on-one counseling services to help you identify job opportunities.

Following your final day of employment, you will not be eligible for rehire as an employee of Pacific Gas and Electric Company (including Hiring Hall), PG&E Corporation, or any PG&E affiliate, or as a non-employee worker assigned to Pacific Gas and Electric Company for a period of 12 months. Any exceptions to the rehire policy require the approval of a senior officer and adherence to the repayment provisions detailed in this handbook.

Additional Information

Pay Plan

If you receive a redeployment notification near the end of the year and are in the Redeployment Program when Performance and Reward (formerly known as Pay Plan) increases take effect, you are not eligible to receive a base pay increase. If you are placed into a regular or rotational position out of the Redeployment Program, the hiring supervisor may consider a salary adjustment based on resulting pay factors.

Temporary Assignments

Temporary assignment opportunities offered to employees in the Redeployment Program are treated as regular positions with regard to the Workforce Transition Program. Accordingly, if you accept a rotational opportunity, you will forfeit your severance payment option. If you elect to leave the company prior to the end of the rotational assignment, it will be considered a resignation.

If you are returned to the Redeployment Program upon conclusion of your rotation, you will be eligible for whatever benefits are included in the Workforce Transition Program at that time.

Internal Job Search for Redeployment Program Participants

You are encouraged to create a profile and apply for vacancies within the company through Talent Connect.

Information concerning creating a profile and applying for jobs, including helpful resources and training tools, is available on the HR Intranet at About Me > My Career > Find Career Opportunities

Vacancies are filled on a competitive basis. You will need to apply for available jobs in which you are interested in order to be considered. There is no preferential consideration given to displaced employees in the selection process; there are no penalties for turning down job interview requests or offers once you are in the redeployment program.

Affiliate Vacancies

Check the affiliate websites to find out what vacancies they have or how to apply for employment. You may find their websites by going to the PG&E Intranet site, *PG&E@Work*. Select our external website by clicking on PGE.com, or select the PG&E Corporation Internet and Intranet links from the left side of the screen.

Relocation Assistance

Employees must meet current relocation eligibility requirements.

LUMP SUM SEVERANCE PLAN

The Lump Sum Severance Plan is available for PG&E employees who have accepted the redeployment package offered within 45 or 60 days of receiving written notification that their position has been eliminated and for employees who have agreed to voluntarily resign their employment under the Voluntary Targeted Severance Program. Payment is dependent on the signing of the *Severance Agreement and Release* during the consideration period and the expiration of the seven-day revocation period.

Eligibility

You must have a minimum of six months' continuous service as of your release date or for Targeted Voluntary Severance participants, your final day of employment.

Provisions

- Your severance pay will be equal to three weeks' pay per year of credited service, as defined by the PG&E Retirement plan (12 week minimum, 52 week maximum)*
- You will receive a lump sum payment of \$9,000 to help cover transition expenses, which may include such items as medical benefits continuation, life insurance coverage or other transitional needs.
- You are eligible to receive the company's outplacement package. The package provides comprehensive job search support through a contracted outplacement consulting firm.

Receipt of the lump sum payment is dependent on signing of the agreed-to Severance Agreement and Release.

* If you have previously received workforce management benefits (severance), severance will be based on your most recent hire date.

Tax Liability on Distributions – 2017

- Federal and state flat withholding rate of 25% and 6.6%, respectively.
- FICA will be withheld on the following maximums:

OASDI	6.2% of \$127,200 (\$7886.40 maximum annual deduction)
Hospital	1.45% (no wage or annual maximum; extra 0.9% above \$200,000 in earnings)
- State Disability 0.9% of \$110,902 (\$998.12 maximum annual deduction)

*The federal supplemental rate increases to 39.6% for supplemental wages over \$1 million in a calendar year.

Definition of "Length of Service" and Base Pay for Severance Payment

1. Actual employment service, defined for the Severance Plan, is an employee's most recent employment date with Pacific Gas and Electric Company, PG&E Corporation, or any PG&E affiliate. Since January 1, 1991, service accrued by employees working part-time has been counted by actual hours worked.
2. Severance payments are derived from the base salary at the time the employee receives redeployment notification, or for targeted voluntary severance, final day of employment. Base pay is defined as the employee's straight time rate of pay and does not include pay for temporary upgrades, shift, relief, overtime, lump sum payments or other premiums. This lump sum payment is not considered covered compensation for purposes of calculating benefits under any of the company qualified or unqualified benefits plans. This sum is paid with the provision that the employee and approved company representative have executed the *Severance Agreement and Release* form at termination or seven days after the employee signs the Agreement, whichever is latest.

Rounding

For purposes of calculating the severance for partial years of service, employees receive one week for each four-month increment after four years of service (employees with zero to four years of service receive the minimum of 12 weeks' base pay). For example, an employee with **four years and four months of service would receive 13 weeks' base pay.**

Rehire Provisions

Effective January 1, 2017 employees who leave the Company for any reason are not eligible for rehire as an employee of Pacific Gas and Electric Company (including hiring hall), PG&E Corporation or any PG&E affiliate, or as a non-employee worker, assigned to PG&E for a period of 12 months, unless approved by a senior officer. If you are rehired, you are subject to the rehire provisions in effect at the time you are rehired. In addition, you are required to repay a prorated amount of your severance payment, prior to first day of employment, according to the payback guidelines for rehired employees implemented August 1, 1995. These apply to all Support, Professional, and Leadership employees rehired into a position at Pacific Gas and Electric Company (including Hiring Hall), PG&E Corporation, any PG&E affiliate, PSEA, or as a non-employee worker assigned to PG&E.

The proration is calculated as follows:

1. Divide the gross salary at the time of severance, converted to a monthly rate, into the total gross severance amount. This is the number of months of severance pay the individual received.
2. Divide the net severance received by the total months of severance in Step 1. This is the net monthly severance payment received.

3. Subtract the number of months the former employee was off the payroll from the months of severance pay in Step 1. This is the number of months of severance to be repaid.
4. Multiply the number of months in Step 3 by the monthly net severance in Step 2 to get the prorated amount to be repaid.

OUTPLACEMENT ASSISTANCE

For employees in the Redeployment Program, outplacement support is available throughout the paid consideration period. Targeted Voluntary Severance participants are eligible to receive outplacement support following their last day of employment. Outplacement assistance provides you with the skills and tools necessary to conduct an effective job search, as well as transitional support following separation from the company. Outplacement consultants provide counseling to assist in examining career options prior to or after resigning with severance benefits. While you are not obligated to accept outplacement services, additional severance dollars are not provided in lieu of outplacement.

Lee Hecht Harrison (LHH) has been contracted by Pacific Gas and Electric Company to provide outplacement services. Log on to <http://www.lhh.com/> for more information about the company. LHH provides individual, one-on-one counseling with a dedicated counselor, as well as a variety of workshops. All outplacement services are available remotely, via telephone and Internet.

San Francisco 235 Pine Street, Suite 1400
Location: San Francisco, CA 94104

Other Bay Area
Locations: San Jose, Walnut Creek and Sacramento

Outplacement Services for Employees

The outplacement services package has been specially designed to provide assistance to meet your specific needs. During the redeployment period, office/administrative support is available at LHH offices, as well as use of their resource library. The outplacement program for all severance participants includes individual consulting hours and a variety of workshops (online or classroom):

- Career Continuation
- Career Assessment
- Starting Your Own Business
- Résumé Writing
- Interviewing Techniques
- Market Strategy
- Negotiation
- Job Search Work Teams

You will receive more details on these options and how you can combine them for the best program for your needs and interests when you speak with a LHH consultant. **To begin your outplacement program, please e-mail the Outplacement Services Form (included with your severance documents) to Lee Hecht Harrison immediately, as indicated on the form.** A LHH consultant will contact you within 48 hours after receipt of your contact information.

SUMMARY OF BENEFITS FOR EMPLOYEES WHO ACCEPT THE SEVERANCE OPTION

Retirement Plan

Eligibility to receive benefits under the Severance Plan does not impact any rights or elections an employee may have under the company's Retirement Plan. Employees may elect to have pension payments commence at the conclusion of the redeployment period or following their last day of employment as allowed under the Retirement Plan provisions. The specifics regarding your Retirement Plan benefit will also depend on whether you are participating in the final pay benefit formula or the cash balance benefit formula under the Retirement Plan. Please refer to the Retirement Plan section of the Summary of Benefits Handbook at www.mypgebenefits.com for more information.

You will cease to accrue service in the PG&E Retirement Plan on the date your employment with PG&E ends. Vested or retirement status and distribution options are determined as of that date under the plans. No enhancement of the Retirement Plan is made.

Eligibility for Retirement – If You Elect the Severance Option

If you are age 55 or older and elect a severance option, you will be considered a retiree effective the first of the month following the date your employment ends with PG&E. You must submit all completed paperwork to the PG&E Pension Center at least 30 days in advance of your first pension start date to receive a pension benefit under the Retirement Plan. If the PG&E Pension Center does not receive your fully completed paperwork at least 30 days in advance of your desired pension start date, your pension will be recalculated to start the first of the month at least 30 days after receipt of the completed forms.

You may also defer your pension benefits until a later date; however, you must begin receiving benefits from the Retirement Plan no later than April 1 of the year after you reach age 70 ½. When you are ready to begin receiving your pension benefits from the Retirement Plan, it is your responsibility to notify the PG&E Pension Center by calling toll-free 800-700-0057, *at least 90 days before* the date on which you want your pension benefits to become payable.

Eligibility for Vested Annuity under the Retirement Plan's Final Pay Benefit Formula

If your employment ends with the company before age 55 and you have at least five years of credited service under the Retirement Plan, you will be considered a vested annuitant rather than a retiree. As a vested annuitant, you are entitled to a pension benefit from the Retirement Plan when you reach retirement age.

The earliest you can begin receiving your pension benefit from the Retirement Plan is on the first day of the month following your 55th birthday. However, benefit payments must begin no later than April 1 of the year after you reach age 70 ½. Your termination package will include a Vested Annuity Estimate showing the estimated amount you will be entitled to receive upon reaching retirement age.

Eligibility for a Benefit under the Retirement Plan's Cash Balance Benefit Formula

If you are participating in the Retirement Plan's Cash Balance Benefit Formula, you can receive your full cash balance account as long as you are fully vested in the plan, i.e., have three years of credited service or attained age 55 before your termination date.

When you are ready to begin receiving your pension benefits from the Retirement Plan, it is your responsibility to notify the **HR Pension Center by calling toll-free 800-700-0057, at least 90 days before** the date on which you want your vested pension benefits to become payable.

If you have a vested benefit from the Retirement Plan and the present value of your pension benefit is less than \$5,000 as of the date your employment ends with the company (including retirement), you will receive a written explanation from PG&E's third party pension administrator about rollover options prior to receiving your distribution from the Retirement Plan.

Retirement Savings Plan

The record keeper for your Retirement Savings Plan account is Fidelity Management Trust Company ("Fidelity"). Fidelity will be notified concerning the termination of your employment with PG&E (including retirement), and will provide a package detailing the various rollover or distribution options available to you. Fidelity will mail this package to your home address after a 30-day waiting period. Prior to receiving this package from Fidelity, you may review your options by calling Fidelity and requesting an advance copy of the Retirement Savings Plan summary plan description (SPD).

Because the tax laws that govern your Retirement Savings Plan distributions are complex, we recommend you consult a financial advisor to ensure that you understand all the implications of your decisions. The details of your Retirement Savings Plan are contained in the Summary Plan Document. If you need to update your address or if you do not receive your package within 30 days after termination of your employment, or if you have questions regarding your account, please contact **Fidelity Management Trust Company toll-free at 877-743-4015**.

Designation of Beneficiary

After you retire, you may change your beneficiaries at any time by contacting Fidelity toll-free at 877-743-4015, or logging on to the Internet at www.401k.com.

Long-Term Incentive Program (LTIP)

When your employment ends (other than retirement as defined below):

1. Restricted stock units will continue to vest for 12 months after termination.
2. Your unvested performance shares will vest proportionately based on the number of months during the performance period that you were employed (rounded down) divided by 36 months. Your vested performance shares will be payable, if at all, after the completion of the performance period based on the same formula that applies to active employees.

Retirement (applies only to pre-2017 awards and 2017 awards to employees subject to notification period)

For LTIP purposes, you will be considered to be retired if you are age 55 or older at termination and were employed by PG&E Corporation or any of its subsidiaries for at least five consecutive years ending on the date of termination. When you retire, your performance shares and restricted stock units will continue to vest according to the normal schedule.

You are subject to the notification period if you were in a director level position or above at the time 2017 annual LTIP awards were granted and also received an LTIP award prior to 2017.

For further information, contact Executive Compensation, 245 Market Street, Room 236A, San Francisco, or call 415-973-5506.

Note: For a more detailed description of treatment of LTIP awards, please reference the LTIP prospectus and your award agreements.

Short-Term Incentive Plan (STIP)

If you have at least six months' consecutive service in the calendar year in which you accepted severance, you will be eligible for a prorated STIP payout based on the number of months worked during the year. If you do not have at least six months' consecutive service in the calendar year, you are *not* eligible for any payout from the current year's STIP.

If you elect severance and then elect to retire, you will be eligible for a prorated STIP payout based on the number of months worked during the calendar year.

If awards are paid under the plan, payments are typically distributed in March of the following year to your home mailing address of record.

There are other rules and circumstances that could affect your eligibility for a STIP award. Additional details can be found in the plan document and administrative guidelines, which govern the plan. You may access these guidelines on the HR Intranet Web site under: Services > Your Compensation > Short-Term Incentive Plan.

Medical, Dental and Vision Coverage

Medical, dental and vision coverage for you and your eligible dependents **continues until the end of the month in which your employment ends with PG&E**. You have the option to convert your medical coverage to an individual policy within 31 days of the date on which your company-sponsored medical or COBRA coverage ends. If you are eligible to retire, you will receive information on retiree medical continuation from the PG&E Benefits Service Center (1-866-271-8144).

COBRA Coverage

You may elect to continue one or more of your existing health care coverages through COBRA when you leave the company. A separate package detailing your rights to COBRA coverage will be mailed to your home by Ceridian COBRA Serve after your employment ends. If you choose to elect COBRA, your paperwork must be completed and returned to Ceridian within 60 days of the date your health coverage is terminated.

Reimbursement Accounts

- *Health Care Flexible Spending Account (HFSA):* Your contributions to HFSA will cease at the end of the month in which your employment ends with PG&E. You have the option to contribute to the HFSA until the end of the current year on an *after-tax* basis if you continue participation through COBRA.
- *Dependent Care Flexible Spending Account (DFSA):* Your contributions to the Dependent Care Flexible Spending Account will cease at the end of the month in which your employment ends with PG&E. You may submit claims for reimbursement for the months in which you were a participant until March 31 following the end of the plan year.
- If you have a wellness account and you are enrolled in a PG&E-sponsored medical plan under COBRA, then your wellness account will remain active.

Group Life Insurance Coverage

Life insurance coverage will remain in effect until the last day of the month in which your employment ends with PG&E. You have the option to convert your active life insurance coverage to an individual policy. To convert your coverage, complete and submit an application to MetLife Insurance Company within 31 days of the date your employment ends. For more information on converting your coverage, **call a MetLife representative toll-free at 888-878-8490.**

Vacation, Floating Holidays and Vacation Buy Days

You will receive pay for your current and deferred unused vacation days and unused floating holidays when your employment ends.

Incidental and Capped Sick Leave Bank

Sick leave was established to provide income protection for employees who are unable to work because of illness or personal injury. There is no payment for unused incidental sick leave or for capped sick leave converted into your Capped Sick Leave Bank on January 1, 2017. If you retire on or after February 1, 2017 and are eligible for benefits under the PG&E Retiree Medical Plan, 25% of any of your unused capped sick time upon retirement will be converted into a Retiree Health Account, valued at your basic wage rate on the day of retirement.

Leave of Absence and Long Term Disability

If your position is eliminated while you are on a leave of absence you will be placed in the Redeployment Program as if you had been at work on the date of notification. Whether you are on a leave of absence when you are notified your position has been eliminated or if you apply for a leave of absence during the Redeployment Period, your final day on the payroll will not be extended.

Employees in the Redeployment Program are not eligible to apply for Long Term Disability going forward. You will not be eligible for Long Term Disability benefits once your employment ends.

Tuition Refund Program

Approved requests for the Tuition Refund Program will be honored for courses authorized and in progress prior to the day you were notified your job would be eliminated (in accordance with the provisions of the Tuition Refund Program).

Employee Assistance Program

The Employee Assistance Program is available to you for up to 30 days or until EAP counselors determine the prudent and necessary timeframe for discontinuing service. For EAP counselor assistance, call Value Options at 888-445-4436. Employees may also continue EAP coverage for up to 18 months through COBRA.

Area Housing Cost Allowance/Mortgage Interest Differential Allowance/Mortgage Subsidy

If you are currently receiving the AHCA, MIDA or a mortgage subsidy under the PG&E Relocation Policy, the payments will terminate 90 days after your termination date or the date of the sale of your residence, whichever occurs first.

Pacific Service Employees Association (PSEA)

You may continue your membership with PSEA if you make arrangements to pay annual dues directly to PSEA. Annual dues are \$45.00, payable by December 15 for the following year. Benefits of PSEA membership include discount programs, tour and travel, group auto and home insurance, as well as local and system-wide social events. PSEA also offers dental and vision programs to retired members who continue to pay annual membership dues. As a former employee, you may be eligible for membership in those programs; however, the disability benefit insurance programs provided through PSEA will be discontinued when your employment ends.

For more information about PSEA, call toll-free 800-272-7732.

Pacific Service Credit Union (PSCU)

Your membership with Pacific Service Credit Union will continue regardless of your employment status with PG&E. Pacific Service Credit Union offers an extensive array of financial services to assist you.

If you have an outstanding loan, you'll need to make alternate repayment arrangements, as payroll deductions will no longer be an option. If your financial situation changes, Pacific Service Credit Union can work with you to provide loan repayment options, including reduced payments and extended loan terms.

Employees who elect the severance option and subsequently retire will be eligible for the same services as any PG&E employee retiring directly from company service.

For information about how Pacific Service Credit Union can help you with your transition from employment with PG&E, please call toll-free 888-858-6878.

Employee Rates

If you elect a severance option, you will not be eligible for employee rates once your employment ends. If you are a retiree, you will continue to be eligible for employee rates consistent with the provisions of the plan.

Descriptions of these plans do not include the important legal definitions or limitations which are in plan documents or HMO contracts governing your benefits. Therefore, this Summary does not replace those legal documents and in case of conflict, those legal documents govern your benefits. Since future conditions affecting the company cannot be foreseen, the company reserves the right to amend or terminate the plans at any time, subject to any notice provisions required under applicable collective bargaining agreements. Although any change in a plan or the termination of a plan will not affect the benefits paid to plan members before the date the plan was changed or ended, such change may result in reduced levels of benefits or benefit coverage or termination of coverage after the effective date of any such change.

HEALTH PLAN MEMBER SERVICES CONTACTS

For more information, please call the appropriate plan's number or visit its Web site.

Plan Name	Phone Number	Web Site
Dental Plan (administered by Delta Dental)	888-217-5323	www.deltadentalins.com/PG&E
Employee Assistance Program (administered by Value Options)	888-445-4436	www.achievesolutions.net/pge
Kaiser Permanente Health Account Plan (HAP)	North: 800-663-1771 South: 800-533-1833	www.my.kp.org/ca/pge
Anthem Blue Cross Health Account Plan (HAP)	800-964-0530	www.anthem.com/ca/pge
Mental Health and Substance Abuse (MHSA) Program (administered by Value Options)	800-562-3588	www.valueoptions.com
Prescription Drug Plan for Anthem HAP members (administered by Express Scripts)	800-718-6590	www.express-scripts.com
Reimbursement Accounts – Health Care, Dependent Care, and Wellness Account (administered by WageWorks or Kaiser)	WageWorks: 866-271-8144, Option 6 Kaiser: 877-750-3399	www.wageworks.com www.my.kp.org/ca/pge
Vision Plan (administered by Vision Service Plan)	800-877-7195	www.vsp.com
Life and Accident Insurance (administered by MetLife)	888-878-8490	https://mybenefits.metlife.com/pg&e

OLDER WORKERS BENEFIT PROTECTION ACT

The *Older Workers Benefit Protection Act* is a federal law that governs our Workforce Transition Program because it provides benefits to employees who are displaced and who are subsequently required to release claims under the Age Discrimination in Employment Act of 1967. The act applies only to employees who are 40 years of age or older when they are displaced. Additional details about your rights under the Older Worker Benefit Protection Act (Federal Law, Title 29, Section 623, of the U.S. Code) can be found at www.eeoc.gov.

EXHIBIT A**Pacific Gas and Electric Company – Professional, Support, and Leadership Employees Workforce Transition Program**

Administrative Provisions Governing the Severance Option

These administrative guidelines are a summary of the provisions applicable to all severed employees. This summary does not purport to be complete and is qualified in its entirety by reference to the appropriate plan/program to which the provision relates. In the event of a conflict between these administrative guidelines and the specific plan/program to which they relate, the terms of the respective plan/program shall govern.

Plan/Program Area	Regular Severance
Benefits	
Holidays	Floating Holidays are cashed out on final day of employment.
Vacation	Unused vacation is cashed out on final day of employment, including any unused Anniversary Bonus vacation.
Retirement Savings Plan	Active participation ends on final day of employment; no additional contributions to the plan.
Retirement Plan	If eligible, may receive pension benefit following last day of employment. No further service accrued.
Medical, Dental, Vision, HFSA, DFSA, Life Insurance and Vacation Buy	Participation ends at end of month following final day of employment. Active employee life insurance terminates at the end of the month following termination.
Compensation	
Base Salary	Base salary is used to calculate severance payment.
Short-Term Incentive Plan (STIP)	Employees are eligible for current year's prorated STIP award if severed on or after July 1.

Plan/Program Area	Regular Severance
Long-Term Incentive Plan (LTIP)	<p>Upon termination of your employment by PG&E without cause (other than retirement as defined below), (1) the restrictions on your restricted stock units will continue to lapse for 12 months after termination, and (2) your unvested performance shares will vest proportionately based on the number of months during the Performance Period that you were employed (rounded down) divided by 36 months. Your vested performance shares will be payable, if at all, after the completion of the Performance Period based on the same formula applied to active employees.</p> <p><u>Retirement</u></p> <p>You will be considered to be retired if you are age 55 or older at termination and were employed by PG&E Corporation or any of its subsidiaries for at least five consecutive years ending on the date of termination. When you retire, (1) all of your stock options vest immediately and may be exercised within the remaining term of the options or five years, whichever is shorter, (2) the restrictions on your restricted stock will continue to lapse according to the normal schedule, and (3) your performance shares will continue to vest according to the normal schedule.</p>
Employee Discount	Eligible if qualifying pensioner, regardless of when retirement is elected.
Remaining Severance	N/A – One time lump sum election.

EXHIBIT B

CLAIMS AND APPEALS PROCESS

Employees whose claim for benefits has been denied shall have such further rights or review as are provided in Section 503 of ERISA and regulations promulgated there under.

If any claim under this Plan is denied in whole or in part, the Benefit Administrator, currently the Redeployment Coordinator, shall furnish to the claimant a written notice setting forth:

- a) specific reason(s) for the denial;
- b) the Plan provision(s) on which the denial is based;
- c) a description of any material or information, if any, necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and,
- d) information concerning the steps to be taken if claimant wishes to submit a claim for review.

The above information shall be furnished to the claimant within ninety (90) days after the claim is received by the Benefit Administrator, unless special circumstances require an extension of time of up to an additional ninety (90) days for processing the request. If such an extension is required, a notice of the extension shall be furnished to the Employee within the initial ninety (90) day period.

If a claimant is not satisfied with the written notice described in the preceding paragraph, the claimant may request a full and fair review by notifying the Plan Administrator, currently the Human Resources Director, Chief of Staff, in writing within sixty (60) days after receiving such notice or, in the case of a deemed denial, within sixty (60) days after the application is deemed denied. If a review is requested, the claimant shall also be entitled, upon written request, to review pertinent documents and to submit issues and comments in writing. The Plan Administrator shall furnish the claimant with a written final decision within sixty (60) days after receipt of request for review, unless special circumstances require an extension of time of up to an additional sixty (60) days for processing the request. If such an extension is required, a notice of the extension shall be furnished to the claimant within the initial sixty (60) day period.

The Plan Administrator, when it reviews a denial of a claim, shall determine conclusively for all parties all questions arising in the administration of the benefit provisions of the Plan.

Claims should be sent to the Benefit Administrator, 1850 Gateway Blvd., 7th Floor, Concord, CA 94520.

EXHIBIT C

Employee Resources	
Benefits Service Center	866-271-8144
EAP (Employee Assistance Program) Counseling Services	888-445-4436
Equal Employment Opportunity	415-973-4357
Fidelity Investments	877-743-4015 or www.401k.com
HR Solutions Center	415-973-4357
Pacific Service Credit Union	888-858-6878
Pacific Service Employees Association	800-272-7732
Payroll Helpline	415-973-3767
Pension Service Center	800-700-0057
Technology Solutions Center	415-973-9000
Tuition Refund Program	888-718-2235



Workforce Transition

Handbook for Chief, Director, and Senior Director Level Employees

Revision Date July 17, 2017

2017

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INTRODUCTION

This handbook has been prepared to provide you with information about the Company's Workforce Transition Plan and contains details related to severance programs and available benefits. The section on retirement applies to employees 55 years of age or older at the time employment with PG&E ends.

Please read and consider the information carefully. If you have any questions, please call the Human Resources Solutions Center at extension 8-223-HELP (4357) or externally at 415-973-HELP (4357), or submit a request at <http://AskHR>. For any benefits questions, please call 866-271-8144.

SEVERANCE PROGRAMS

There are two types of severance programs, Involuntary Targeted Severance and Targeted Voluntary Severance.

Involuntary Targeted Severance Program/Redeployment

All employees placed in the Redeployment Program have either a 45- or 60-day paid consideration period from the date they are notified their position will be eliminated to choose if they want to elect severance. The length of the consideration period provided an employee is dependent upon whether the elimination of the employee's position falls under the provisions of the Worker Adjustment and Retraining Notification (WARN) Act.

If you are eligible for Redeployment, the first thing you should do is review your redeployment package to determine whether your consideration period is 45 or 60 days. If you are unsure of your consideration period, contact the Human Resources Solutions Center at extension 223-HELP or (415) 973-HELP (4357) or submit a request to <http://AskHR>.

During your consideration period, you need to review your severance agreement and related transition materials and at your discretion explore other career opportunities. If you decide to take the redeployment package, then you must complete and sign the *Severance Agreement and Release* prior to the end of your assigned consideration period in order to receive the lump sum severance payment. You have seven days from the date you sign and return your Agreement to revoke your decision. If you sign your Agreement early and the revocation period has passed, all proceeds will be distributed one calendar day following the effective date of the Agreement. Your final pay, vacation payout and lump sum payment will not be made to you prior to the expiration of your consideration period (45 or 60 days). If the seven-day revocation period has not expired, the severance payout will be held for the expiration of this period, and only final pay and vacation will be distributed on the last day of your consideration period, which is your last day on the PG&E payroll.

After receiving displacement notification, if you choose to search for alternate employment, you may immediately contact the outplacement firm. The outplacement firm offers assistance with résumé preparation, interviewing skills training and one-on-one counseling services to help you identify job opportunities.

During your time in the Redeployment Program, you may continue posting for internal jobs or interviewing externally for opportunities. If you accept a position within Pacific Gas and Electric Company (including Hiring Hall), PG&E Corporation, any PG&E affiliate, or as a non-employee worker assigned to Pacific Gas and Electric Company, you forfeit your severance benefit option and your redeployment period will end. If you are selected for a Pacific Gas and Electric Company vacancy which requires relocation, you may be extended relocation benefits to assist you in your move.

You must submit your final expenses for company business to your current supervisor on the date of your redeployment notification.

TARGETED VOLUNTARY SEVERANCE PROGRAM

If you are a participant in the Targeted Voluntary Severance Program, you have up to 45 days to consider your Severance Agreement and Release and decide if you wish to sign the Agreement and receive a lump sum severance payment. Employees who participate in the Targeted Voluntary Severance Program are not eligible to participate in the Redeployment Program.

In order to receive a lump sum severance payment, you must complete and sign the *Severance Agreement and Release* prior to the end of the 45-day consideration period. You have seven days from the date you sign and return your Agreement to revoke your decision. If you sign your Agreement early and the revocation period has passed, your payment will be distributed one calendar day following the effective date of the agreement. Your lump sum payment will not be made to you prior to the expiration of the seven-day revocation period.

Targeted Voluntary Severance participants are eligible for outplacement benefits. Following your final day of employment and receipt of your Severance Agreement and Release, you may contact the outplacement firm. The outplacement firm offers assistance with résumé preparation, interviewing skills training and one-on-one counseling services to help you identify job opportunities.

Following your final day of employment, you will not be eligible for rehire as an employee of Pacific Gas and Electric Company (including Hiring Hall), PG&E Corporation, or any PG&E affiliate, or as a non-employee worker assigned to Pacific Gas and Electric Company for a period of 12 months. Any exceptions to the rehire policy require the approval of a senior officer and adherence to the repayment provisions detailed in this handbook.

Additional Information

Pay Plan

If you receive a redeployment notification near the end of the year and are in the Redeployment Program when Performance and Reward (formerly known as Pay Plan) increases take effect, you are not eligible to receive a base pay increase. If you are placed into a regular or rotational position out of the Redeployment Program, the hiring supervisor may consider a salary adjustment based on resulting pay factors.

Temporary Assignments

Temporary assignment opportunities offered to employees in the Redeployment Program are treated as regular positions with regard to the Workforce Transition Program. Accordingly, if you accept a rotational opportunity, you will forfeit your severance payment option. If you elect to leave the company prior to the end of the rotational assignment, it will be considered a resignation.

If you are returned to the Redeployment Program upon conclusion of your rotation, you will be eligible for whatever benefits are included in the Workforce Transition Program at that time.

Internal Job Search for Redeployment Program Participants

You are encouraged to create a profile and apply for vacancies within the company through Talent Connect.

Information concerning creating a profile and applying for jobs, including helpful resources and training tools, is available on the HR Intranet at About Me > My Career > Find Career Opportunities

Vacancies are filled on a competitive basis. You will need to apply for available jobs in which you are interested in order to be considered. There is no preferential consideration given to displaced employees in the selection process; there are no penalties for turning down job interview requests or offers once you are in the redeployment program.

Affiliate Vacancies

Check the affiliate websites to find out what vacancies they have or how to apply for employment. You may find their websites by going to the PG&E Intranet site, *PG&E@Work*. Select our external website by clicking on PGE.com, or select the PG&E Corporation Internet and Intranet links from the left side of the screen.

Relocation Assistance

Employees must meet current relocation eligibility requirements.

LUMP SUM SEVERANCE PLAN

The Lump Sum Severance Plan is available for PG&E employees who have accepted the redeployment package offered within 45 or 60 days of receiving written notification that their position has been eliminated and for employees who have agreed to voluntarily resign their employment under the Voluntary Targeted Severance Program. Payment is dependent on the signing of the *Severance Agreement and Release* during the consideration period and the expiration of the seven-day revocation period.

Eligibility

You must have a minimum of six months' continuous service as of your release date or for Targeted Voluntary Severance participants, your final day of employment.

Provisions

- Your severance pay will be based on your annual salary plus your target to STIP. Using this figure, a rate equal to three weeks of pay per year of credited service, as defined by the PG&E Retirement plan (12 week minimum, 52 week maximum)*
- You will receive a lump sum payment of \$16,650 to help cover transition expenses, which may include such items as medical benefits continuation, life insurance coverage or other transitional needs.
- You are eligible to receive the company's outplacement package. The package provides comprehensive job search support through a contracted outplacement consulting firm.

Receipt of the lump sum payment is dependent on signing of the agreed-to Severance Agreement and Release.

* If you have previously received workforce management benefits (severance), severance will be based on your most recent hire date.

Tax Liability on Distributions – 2017

- Federal and state flat withholding rate of 25% and 6.6%, respectively.
- FICA will be withheld on the following maximums:

OASDI	6.2% of \$127,200 (\$7,886.40 maximum annual deduction)
Hospital	1.45% (no wage or annual maximum; extra 0.9% above \$200,000 in earnings)
- State Disability 0.9% of \$110,902 (\$998.12 maximum annual deduction)

*The federal supplemental rate increases to 39.6% for supplemental wages over \$1 million in a calendar year.

Definition of "Length of Service" and Base Pay for Severance Payment

1. Actual employment service, defined for the Severance Plan, is an employee's most recent employment date with Pacific Gas and Electric Company, PG&E Corporation, or any PG&E affiliate. Since January 1, 1991, service accrued by employees working part-time has been counted by actual hours worked.

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2. Severance payments are derived from the base salary at the time the employee receives redeployment notification, or for targeted voluntary severance, final day of employment. Base pay is defined as the employee's straight time rate of pay and does not include pay for temporary upgrades, shift, relief, overtime, lump sum payments or other premiums. This lump sum payment is not considered covered compensation for purposes of calculating benefits under any of the company qualified or unqualified benefits plans. This sum is paid with the provision that the employee and approved company representative have executed the *Severance Agreement and Release* form at termination or seven days after the employee signs the Agreement, whichever is latest.

Rounding

For purposes of calculating the severance for partial years of service, employees receive one week for each four-month increment after four years of service (employees with zero to four years of service receive the minimum of 12 weeks' base pay). For example, an employee with **four years and four months of service would receive 13 weeks' base pay.**

Rehire Provisions

Effective January 1, 2017 employees who leave the Company for any reason are not eligible for rehire as an employee of Pacific Gas and Electric Company (including hiring hall), PG&E Corporation or any PG&E affiliate, or as a non-employee worker, assigned to PG&E for a period of 12 months, unless approved by a senior officer. If you are rehired, you are subject to the rehire provisions in effect at the time you are rehired. In addition, you are required to repay a prorated amount of your severance payment, prior to first day of employment, according to the payback guidelines for rehired employees implemented August 1, 1995. These apply to all Support, Professional, and Leadership employees rehired into a position at Pacific Gas and Electric Company (including Hiring Hall), PG&E Corporation, any PG&E affiliate, PSEA, or as a non-employee worker assigned to PG&E.

The proration is calculated as follows:

1. Divide the gross salary at the time of severance, converted to a monthly rate, into the total gross severance amount. This is the number of months of severance pay the individual received.
2. Divide the net severance received by the total months of severance in Step 1. This is the net monthly severance payment received.
3. Subtract the number of months the former employee was off the payroll from the months of severance pay in Step 1. This is the number of months of severance to be repaid.
4. Multiply the number of months in Step 3 by the monthly net severance in Step 2 to get the prorated amount to be repaid.

OUTPLACEMENT ASSISTANCE

For employees in the Redeployment Program, outplacement support is available throughout the paid consideration period. Targeted Voluntary Severance participants are eligible to receive outplacement support following their last day of employment. Outplacement assistance provides you with the skills and tools necessary to conduct an effective job search, as well as transitional support following separation from the company. Outplacement consultants provide counseling to assist in examining career options prior to or after resigning with severance benefits. While you are not obligated to accept outplacement services, additional severance dollars are not provided in lieu of outplacement.

Lee Hecht Harrison (LHH) has been contracted by Pacific Gas and Electric Company to provide outplacement services. Log on to <http://www.lhh.com/> for more information about the company. LHH provides individual, one-on-one counseling with a dedicated counselor, as well as a variety of workshops. All outplacement services are available remotely, via telephone and Internet.

San Francisco 235 Pine Street, Suite 1400
Location: San Francisco, CA 94104

Other Bay Area
Locations: San Jose, Walnut Creek and Sacramento

Outplacement Services for Employees

The outplacement services package has been specially designed to provide assistance to meet your specific needs. During the redeployment period, office/administrative support is available at LHH offices, as well as use of their resource library. The outplacement program for all severance participants includes individual consulting hours and a variety of workshops (online or classroom):

- Career Continuation
- Career Assessment
- Starting Your Own Business
- Résumé Writing
- Interviewing Techniques
- Market Strategy
- Negotiation
- Job Search Work Teams

You will receive more details on these options and how you can combine them for the best program for your needs and interests when you speak with a LHH consultant. **To begin your outplacement program, please e-mail the Outplacement Services Form (included with your severance documents) to Lee Hecht Harrison immediately, as indicated on the form.** A LHH consultant will contact you within 48 hours after receipt of your contact information.

SUMMARY OF BENEFITS FOR EMPLOYEES WHO ACCEPT THE SEVERANCE OPTION

Retirement Plan

Eligibility to receive benefits under the Severance Plan does not impact any rights or elections an employee may have under the company's Retirement Plan. Employees may elect to have pension payments commence at the conclusion of the redeployment period or following their last day of employment as allowed under the Retirement Plan provisions. The specifics regarding your Retirement Plan benefit will also depend on whether you are participating in the final pay benefit formula or the cash balance benefit formula under the Retirement Plan. Please refer to the Retirement Plan section of the Summary of Benefits Handbook at www.mypgebenefits.com for more information.

You will cease to accrue service in the PG&E Retirement Plan on the date your employment with PG&E ends. Vested or retirement status and distribution options are determined as of that date under the plans. No enhancement of the Retirement Plan is made.

Eligibility for Retirement – If You Elect the Severance Option

If you are age 55 or older and elect a severance option, you will be considered a retiree effective the first of the month following the date your employment ends with PG&E. You must submit all completed paperwork to the PG&E Pension Center at least 30 days in advance of your first pension start date to receive a pension benefit under the Retirement Plan. If the PG&E Pension Center does not receive your fully completed paperwork at least 30 days in advance of your desired pension start date, your pension will be recalculated to start the first of the month at least 30 days after receipt of the completed forms.

You may also defer your pension benefits until a later date; however, you must begin receiving benefits from the Retirement Plan no later than April 1 of the year after you reach age 70 ½. When you are ready to begin receiving your pension benefits from the Retirement Plan, it is your responsibility to notify the PG&E Pension Center by calling toll-free 800-700-0057, *at least 90 days before* the date on which you want your pension benefits to become payable.

Eligibility for Vested Annuity under the Retirement Plan's Final Pay Benefit Formula

If your employment ends with the company before age 55 and you have at least five years of credited service under the Retirement Plan, you will be considered a vested annuitant rather than a retiree. As a vested annuitant, you are entitled to a pension benefit from the Retirement Plan when you reach retirement age.

The earliest you can begin receiving your pension benefit from the Retirement Plan is on the first day of the month following your 55th birthday. However, benefit payments must begin no later than April 1 of the year after you reach age 70 ½. Your termination package will include a Vested Annuity Estimate showing the estimated amount you will be entitled to receive upon reaching retirement age.

Eligibility for a Benefit under the Retirement Plan's Cash Balance Benefit Formula

If you are participating in the Retirement Plan's Cash Balance Benefit Formula, you can receive your full cash balance account as long as you are fully vested in the plan, i.e., have three years of credited service or attained age 55 before your termination date.

When you are ready to begin receiving your pension benefits from the Retirement Plan, it is your responsibility to notify the HR Pension Service Center by calling toll-free 800-700-0057, *at least 90 days before* the date on which you want your vested pension benefits to become payable.

If you have a vested benefit from the Retirement Plan and the present value of your pension benefit is less than \$5,000 as of the date your employment ends with the company (including retirement), you will receive a written explanation from PG&E's third party pension administrator about rollover options prior to receiving your distribution from the Retirement Plan.

Retirement Savings Plan

The record keeper for your Retirement Savings Plan account is Fidelity Management Trust Company ("Fidelity"). Fidelity will be notified concerning the termination of your employment with PG&E (including retirement), and will provide a package detailing the various rollover or distribution options available to you. Fidelity will mail this package to your home address after a 30-day waiting period. Prior to receiving this package from Fidelity, you may review your options by calling Fidelity and requesting an advance copy of the Retirement Savings Plan summary plan description (SPD).

Because the tax laws that govern your Retirement Savings Plan distributions are complex, we recommend you consult a financial advisor to ensure that you understand all the implications of your decisions. The details of your Retirement Savings Plan are contained in the Summary Plan Document. If you need to update your address or if you do not receive your package within 30 days after termination of your employment, or if you have questions regarding your account, please contact Fidelity Management Trust Company toll-free at 877-743-4015.

Designation of Beneficiary

After you retire, you may change your beneficiaries at any time by contacting Fidelity toll-free at 877-743-4015, or logging on to the Internet at www.401k.com.

Long-Term Incentive Program (LTIP)

When your employment ends (other than retirement as defined below):

1. Restricted stock units will continue to vest for 12 months after termination.
2. Your unvested performance shares will vest proportionately based on the number of months during the performance period that you were employed (rounded down) divided by 36 months. Your vested performance shares will be payable, if at all, after the completion of the performance period based on the same formula that applies to active employees.

Retirement (applies only to pre-2017 awards and 2017 awards to employees subject to notification period)

For LTIP purposes, you will be considered to be retired if you are age 55 or older at termination and were employed by PG&E Corporation or any of its subsidiaries for at least five consecutive years ending on the date of termination. When you retire, your performance shares and restricted stock units will continue to vest according to the normal schedule.

You are subject to the notification period if you were in a director level position or above at the time 2017 annual LTIP awards were granted and also received an LTIP award prior to 2017.

For further information, contact Executive Compensation, 245 Market Street, Room 236A, San Francisco, or call 415-973-5506.

Note: For a more detailed description of treatment of LTIP awards, please reference the LTIP prospectus and your award agreements.

Short-Term Incentive Plan (STIP)

If you have at least six months' consecutive service in the calendar year in which you accepted severance, you will be eligible for a prorated STIP payout based on the number of months worked during the year. If you do not have at least six months' consecutive service in the calendar year, you are *not* eligible for any payout from the current year's STIP.

If you elect severance and then elect to retire, you will be eligible for a prorated STIP payout based on the number of months worked during the calendar year.

If awards are paid under the plan, payments are typically distributed in March of the following year to your home mailing address of record.

There are other rules and circumstances that could affect your eligibility for a STIP award. Additional details can be found in the plan document and administrative guidelines, which govern the plan. You may access these guidelines on the HR Intranet Web site under: Services > Your Compensation > Short-Term Incentive Plan.

Medical, Dental and Vision Coverage

Medical, dental and vision coverage for you and your eligible dependents **continues until the end of the month in which your employment ends with PG&E**. You have the option to convert your medical coverage to an individual policy within 31 days of the date on which your company-sponsored medical or COBRA coverage ends. If you are eligible to retire, you will receive information on retiree medical continuation from the PG&E Benefits Service Center (1-866-271-8144).

COBRA Coverage

You may elect to continue one or more of your existing health care coverages through COBRA when you leave the company. A separate package detailing your rights to COBRA coverage will be mailed to your home by Ceridian COBRA Serve after your employment ends. If you choose to elect COBRA, your paperwork must be completed and returned to Ceridian within 60 days of the date your health coverage is terminated.

Reimbursement Accounts

- *Health Care Flexible Spending Account (HFSA)*: Your contributions to HFSA will cease at the end of the month in which your employment ends with PG&E. You have the option to contribute to the HFSA until the end of the current year on an *after-tax* basis if you continue participation through COBRA.
- *Dependent Care Flexible Spending Account (DFSA)*: Your contributions to the Dependent Care Flexible Spending Account will cease at the end of the month in which your employment ends with PG&E. You may submit claims for reimbursement for the months in which you were a participant until March 31 following the end of the plan year.
- If you have a wellness account and you are enrolled in a PG&E-sponsored medical plan under COBRA, then your wellness account will remain active.

Group Life Insurance Coverage

Life insurance coverage will remain in effect until the last day of the month in which your employment ends with PG&E. You have the option to convert your active life insurance coverage to an individual policy. To convert your coverage, complete and submit an application to MetLife Insurance Company within 31 days of the date your employment ends. For more information on converting your coverage, **call a MetLife representative toll-free at 888-878-8490.**

Vacation, Floating Holidays and Vacation Buy Days

You will receive pay for your current and deferred unused vacation days and unused floating holidays when your employment ends.

Incidental and Capped Sick Leave Bank

Sick leave was established to provide income protection for employees who are unable to work because of illness or personal injury. There is no payment for unused incidental sick leave or for capped sick leave converted into your Capped Sick Leave Bank on January 1, 2017. If you retire on or after February 1, 2017 and are eligible for benefits under the PG&E Retiree Medical Plan, 25% of any of your unused capped sick time upon retirement will be converted into a Retiree Health Account, valued at your basic wage rate on the day of retirement.

Leave of Absence and Long Term Disability

If your position is eliminated while you are on a leave of absence you will be placed in the Redeployment Program as if you had been at work on the date of notification. Whether you are on a leave of absence when you are notified your position has been eliminated or if you apply for a leave of absence during the Redeployment Period, your final day on the payroll will not be extended.

Employees in the Redeployment Program are not eligible to apply for Long Term Disability going forward. You will not be eligible for Long Term Disability benefits once your employment ends.

Tuition Refund Program

Approved requests for the Tuition Refund Program will be honored for courses authorized and in progress prior to the day you were notified your job would be eliminated (in accordance with the provisions of the Tuition Refund Program).

Employee Assistance Program

The Employee Assistance Program is available to you for up to 30 days or until EAP counselors determine the prudent and necessary timeframe for discontinuing service. For EAP counselor assistance, call Value Options at 888-445-4436. Employees may also continue EAP coverage for up to 18 months through COBRA.

Area Housing Cost Allowance/Mortgage Interest Differential Allowance/Mortgage Subsidy

If you are currently receiving the AHCA, MIDA or a mortgage subsidy under the PG&E Relocation Policy, the payments will terminate 90 days after your termination date or the date of the sale of your residence, whichever occurs first.

Pacific Service Employees Association (PSEA)

You may continue your membership with PSEA if you make arrangements to pay annual dues directly to PSEA. Annual dues are \$45.00, payable by December 15 for the following year. Benefits of PSEA membership include discount programs, tour and travel, group auto and home insurance, as well as local and system-wide social events. PSEA also offers dental and vision programs to retired members who continue to pay annual membership dues. As a former employee, you may be eligible for membership in those programs; however, the disability benefit insurance programs provided through PSEA will be discontinued when your employment ends.

For more information about PSEA, call toll-free 800-272-7732.

Pacific Service Credit Union (PSCU)

Your membership with Pacific Service Credit Union will continue regardless of your employment status with PG&E. Pacific Service Credit Union offers an extensive array of financial services to assist you.

If you have an outstanding loan, you'll need to make alternate repayment arrangements, as payroll deductions will no longer be an option. If your financial situation changes, Pacific Service Credit Union can work with you to provide loan repayment options, including reduced payments and extended loan terms.

Employees who elect the severance option and subsequently retire will be eligible for the same services as any PG&E employee retiring directly from company service.

For information about how Pacific Service Credit Union can help you with your transition from employment with PG&E, please call toll-free 888-858-6878.

Employee Rates

If you elect a severance option, you will not be eligible for employee rates once your employment ends. If you are a retiree, you will continue to be eligible for employee rates consistent with the provisions of the plan.

Descriptions of these plans do not include the important legal definitions or limitations which are in plan documents or HMO contracts governing your benefits. Therefore, this Summary does not replace those legal documents and in case of conflict, those legal documents govern your benefits. Since future conditions affecting the company cannot be foreseen, the company reserves the right to amend or terminate the plans at any time, subject to any notice provisions required under applicable collective bargaining agreements. Although any change in a plan or the termination of a plan will not affect the benefits paid to plan members before the date the plan was changed or ended, such change may result in reduced levels of benefits or benefit coverage or termination of coverage after the effective date of any such change.

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HEALTH PLAN MEMBER SERVICES CONTACTS

For more information, please call the appropriate plan's number or visit its Web site.

Plan Name	Phone Number	Web Site
Dental Plan (administered by Delta Dental)	888-217-5323	www.deltadentalins.com/PG&E
Employee Assistance Program (administered by Value Options)	888-445-4436	www.achievesolutions.net/pge
Kaiser Permanente Health Account Plan (HAP)	North: 800-663-1771 South: 800-533-1833	www.my.kp.org/ca/pge
Anthem Blue Cross Health Account Plan (HAP)	800-964-0530	www.anthem.com/ca/pge
Mental Health and Substance Abuse (MHSA) Program (administered by Value Options)	800-562-3588	www.valueoptions.com
Prescription Drug Plan for Anthem HAP members (administered by Express Scripts)	800-718-6590	www.express-scripts.com
Reimbursement Accounts – Health Care, Dependent Care, and Wellness Account (administered by WageWorks or Kaiser)	WageWorks: 1-866-271-8144, Option 6 Kaiser: 877-750-3399	www.wageworks.com www.my.kp.org/ca/pge
Vision Plan (administered by Vision Service Plan)	800-877-7195	www.vsp.com
Life and Accident Insurance (administered by MetLife)	888-878-8490	https://mybenefits.metlife.com/pg&e

OLDER WORKERS BENEFIT PROTECTION ACT

The *Older Workers Benefit Protection Act* is a federal law that governs our Workforce Transition Program because it provides benefits to employees who are displaced and who are subsequently required to release claims under the Age Discrimination in Employment Act of 1967. The act applies only to employees who are 40 years of age or older when they are displaced. Additional details about your rights under the Older Worker Benefit Protection Act (Federal Law, Title 29, Section 623, of the U.S. Code) can be found at www.eeoc.gov.

EXHIBIT A

Pacific Gas and Electric Company – Professional, Support, and Leadership Employees Workforce Transition Program

Administrative Provisions Governing the Severance Option

These administrative guidelines are a summary of the provisions applicable to all severed employees. This summary does not purport to be complete and is qualified in its entirety by reference to the appropriate plan/program to which the provision relates. In the event of a conflict between these administrative guidelines and the specific plan/program to which they relate, the terms of the respective plan/program shall govern.

Plan/Program Area	Regular Severance
Benefits	
Holidays	Floating Holidays are cashed out on final day of employment.
Vacation	Unused vacation is cashed out on final day of employment, including any unused Anniversary Bonus vacation.
Retirement Savings Plan	Active participation ends on final day of employment; no additional contributions to the plan.
Retirement Plan	If eligible, may receive pension benefit following last day of employment. No further service accrued.
Medical, Dental, Vision, HFSA, DFSA, Life Insurance and Vacation Buy	Participation ends at end of month following final day of employment. Active employee life insurance terminates at the end of the month following termination.
Compensation	
Base Salary	Base salary is used to calculate severance payment.
Short-Term Incentive Plan (STIP)	Employees are eligible for current year's prorated STIP award if severed on or after July 1.

Plan/Program Area	Regular Severance
Long-Term Incentive Plan (LTIP)	<p>Upon termination of your employment by PG&E without cause (other than retirement as defined below), (1) the restrictions on your restricted stock units will continue to lapse for 12 months after termination, and (2) your unvested performance shares will vest proportionately based on the number of months during the Performance Period that you were employed (rounded down) divided by 36 months. Your vested performance shares will be payable, if at all, after the completion of the Performance Period based on the same formula applied to active employees.</p> <p><u>Retirement</u></p> <p>You will be considered to be retired if you are age 55 or older at termination and were employed by PG&E Corporation or any of its subsidiaries for at least five consecutive years ending on the date of termination. When you retire, (1) all of your stock options vest immediately and may be exercised within the remaining term of the options or five years, whichever is shorter, (2) the restrictions on your restricted stock will continue to lapse according to the normal schedule, and (3) your performance shares will continue to vest according to the normal schedule.</p>
Employee Discount	Eligible if qualifying pensioner, regardless of when retirement is elected.
Remaining Severance	N/A – One time lump sum election.

EXHIBIT B

CLAIMS AND APPEALS PROCESS

Employees whose claim for benefits has been denied shall have such further rights or review as are provided in Section 503 of ERISA and regulations promulgated there under.

If any claim under this Plan is denied in whole or in part, the Benefit Administrator, currently the Redeployment Coordinator shall furnish to the claimant a written notice setting forth:

- a) specific reason(s) for the denial;
- b) the Plan provision(s) on which the denial is based;
- c) a description of any material or information, if any, necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and,
- d) information concerning the steps to be taken if claimant wishes to submit a claim for review.

The above information shall be furnished to the claimant within ninety (90) days after the claim is received by the Benefit Administrator, unless special circumstances require an extension of time of up to an additional ninety (90) days for processing the request. If such an extension is required, a notice of the extension shall be furnished to the Employee within the initial ninety (90) day period.

If a claimant is not satisfied with the written notice described in the preceding paragraph, the claimant may request a full and fair review by notifying the Plan Administrator, currently the Human Resources Director, Chief of Staff, in writing within sixty (60) days after receiving such notice or, in the case of a deemed denial, within sixty (60) days after the application is deemed denied. If a review is requested, the claimant shall also be entitled, upon written request, to review pertinent documents and to submit issues and comments in writing. The Plan Administrator shall furnish the claimant with a written final decision within sixty (60) days after receipt of request for review, unless special circumstances require an extension of time of up to an additional sixty (60) days for processing the request. If such an extension is required, a notice of the extension shall be furnished to the claimant within the initial sixty (60) day period.

The Plan Administrator, when it reviews a denial of a claim, shall determine conclusively for all parties all questions arising in the administration of the benefit provisions of the Plan.

Claims should be sent to the Benefit Administrator, 1850 Gateway Blvd., 7th Floor, Concord, CA 94520.

EXHIBIT C

Employee Resources	
Benefits Service Center	866-271-8144
EAP (Employee Assistance Program) Counseling Services	888-445-4436
Equal Employment Opportunity	415-973-4357
Fidelity Investments	877-743-4015 or www.401k.com
HR Solutions Center	415-973-4357
Pacific Service Credit Union	888-858-6878
Pacific Service Employees Association	800-272-7732
Payroll Helpline	415-973-3767
Pension Service Center	800-700-0057
Technology Solutions Center	415-973-9000
Tuition Refund Program	888-718-2235

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
EXHIBIT (PG&E-8) HUMAN RESOURCES

WORKPAPERS SUPPORTING
CHAPTER 4, TOTAL REWARDS, STIP, NON-QUALIFIED RETIREMENT AND LABOR
ESCALATION



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PACIFIC GAS AND ELECTRIC COMPANY
2017 GENERAL RATE CASE
EXHIBIT (PG&E-8) HUMAN RESOURCES

WORKPAPERS SUPPORTING
CHAPTER 4, TOTAL REWARDS, STIP, NON-QUALIFIED RETIREMENT AND LABOR
ESCALATION

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 _____ John Lowe	
 _____ Date	

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D1
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923)
Nominal Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast			
		2013	2014	2015	2016	2017	2018	2019	2020	
3) Total Rewards										
1	920 - Admin & Gen Salaries	5,425	5,761	6,125	4,847	3,697	3,962	4,099	4,242	
2	921 - Office Supplies & Ex	394	485	1,453	333	194	52	52	52	
3	923 - Outside Svc Employ - Utility	1,722	2,367	5,090	1,764	1,407	1,377	1,377	1,322	
4	923 - Outside Svc Employ - Corp (a)	0	0	0	0	0	0	0	0	
5	Total	7,541	8,613	12,668	6,944	5,298	5,391	5,528	5,616	
6	Change from Prior Year		1,073	4,055	(5,724)	(1,646)	94	137	88	Sch. D3

(a) Forecast for 923-Corp has been reduced by 1% to reflect work performed for Non-Utility Affiliates, for additional details about the Non-Utility Affiliate reduction please refer to Exhibit (PG&E-9), Chapter 9, A&G Ratemaking Adjustments.

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D2
Historical and Forecast GRC Expenses (FERC Account 920, 921 and 923)
Base Year Dollars
(\$000s)

Line	Description	Recorded Adjusted					Forecast		
		2013	2014	2015	2016	2017	2018	2019	2020
3) Total Rewards									
1	920 - Admin & Gen Salaries	6,133	6,324	6,530	5,010	3,697	3,836	3,843	3,850
2	921 - Office Supplies & Ex	416	505	1,491	338	194	51	50	49
3	923 - Outside Svc Employ - Utility	1,821	2,465	5,223	1,790	1,407	1,354	1,328	1,249
4	923 - Outside Svc Employ - Corp	0	0	0	0	0	0	0	0
5	Total	8,370	9,295	13,244	7,138	5,298	5,242	5,221	5,148
6	Change from Prior Year		925	3,949	(6,105)	(1,840)	(56)	(21)	(73)

Escalation Factor ^[1] [2] [3]	2013	2014	2015	2016	2017	2018	2019	2020
	Base Year							
7 920 - Admin & Gen Salaries	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
8 921 - Office Supplies & Ex	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
9 923 - Outside Svc Employ - Utility	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
10 923 - Outside Svc Employ - Corp	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591

[1] Base Dollar = Nominal Dollar (from Schedule D1)/Annual Escalation Factor

[2] See Exhibit (PG&E-8) - Human Resources, Ch. 4 - Total Rewards, STIP, Non-qualified Retirement and Labor Escalations.

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account				Explanation	Ref
		920	921	923-Utility	923-Corp		
2013 to 2014	Recorded Adjusted	7,541 (131)	394	1,722			Sch. D1, Line 5
	Labor					Decrease of an average of 2 FTEs.	
	Materials	(0)	(0)			Immaterial variance.	
	Contracts	(609)		(609)		Reduction in consulting support including 2014 GRC Total Compensation Study, Pension Administration co-sourcing, and benefit plan forecasts.	
	Corporation Charges						
	Employee-Related	3	3			Immaterial variance.	
	Other	1,648 162	88	1,254		Increase due to employee and contract resources supporting iSAP project. Increase due to labor escalation	
	Net Change	1,073	91	645			Sch. D1, Line 6

(PG&E-8)

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account			Explanation	Ref
			920	921	923-Utility	923-Corp	
2014	Recorded Adjusted	8,613	5,761	485	2,367		Sch. D1, Line 5
to	Labor	(29)	(29)				
2015							
	Materials	25		25			
	Contracts	580			580		
	Corporation Charges						
	Employee-Related	(42)		(42)			
	Other	3,349 171	222 171	985	2,142		
	Net Change	4,055	364	968	2,723		Sch. D1, Line 6

(PG&E-8)

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account			Explanation	Ref
			920	921	923-Utility	923-Corp	
2015	Recorded Adjusted	12,668	6,125	1,453	5,090		Sch. D1, Line 5
to	Labor	(579)	(579)				
2016		192	192				
	Materials	53		53			
	Contracts	(899)			(899)		
	Corporation Charges						
	Employee-Related	(79)		(79)			
	Other	(4,412)	(892)	(1,093)	(2,427)		
	Net Change	(5,724)	(1,279)	(1,119)	(3,326)		Sch. D1, Line 6

(PG&E-8)

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account				Explanation	Ref
		Amount	920	921	923-Utility	923-Corp	
2016	Recorded Adjusted	6,944	4,847	333	1,764		Sch. D1, Line 5
to	Labor	(1,313)	(1,313)				Full year reduction of 11.5 benefits FTEs and an additional 1 relocation program FTE and 1 compensation FTE reduction.
		163	163				Increase due to labor escalation
2017	Materials	(103)		(103)			Reduction in printed materials to support employee benefits plans and programs.
	Contracts	148 59			148 59		Increase due to elimination of net management consulting credit. Increased use of temporary contract workers.
	Corporation Charges						
	Employee-Related	(14)		(14)			Reduction in employee training and rewards and recognition payments.
	Other	(585)	0	(22)	(563)		Decrease due to completion of iSAP project, offset partially by cost of 2020 GRC Total Compensation Study.
Net Change		(1,646)	(1,150)	(140)	(356)		Sch. D1, Line 6

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account				Explanation	Ref
		920	921	923-Utility	923-Corp		
2017	Recorded Adjusted	5,298	194	1,407			Sch. D1, Line 5
to	Labor	144				Forecast for a net increase of 1 FTE as one vacancy filled and the other vacancy position is eliminated. Increase due to labor escalation	
2018		121					
	Materials	5	5			Immaterial variance.	
	Contracts	(985)		(985)		Forecast contract costs shown in the Other Category below.	
	Corporation Charges						
	Employee-Related	(125)	(125)			Decrease in forecasted employee related costs including; training, meals, and travel and lodging.	
	Other	933	(21)	955		FERC 921: Forecast decrease in materials and employee related costs charged to project orders. FERC 923: Net forecast decrease of \$30k in contract spend (see Contracts above).	
	Net Change	94	(142)	(30)			Sch. D1, Line 6

(PG&E-8)

Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	FERC Account				Explanation	Ref
		Amount	920	921	923-Utility	923-Corp	
2018 to 2019	Recorded Adjusted	5,391 ¹³⁷	3,962 ¹³⁷	52	1,377		Sch. D1, Line 5
	Labor						
	Materials						
	Contracts						
	Corporation Charges						
	Employee-Related						
	Other	0			0		
	Net Change	137	137		0		Sch. D1, Line 6

(PG&E-8)

Schedule D3
Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Purpose: This schedule shows the change in costs from 2013 through 2020 by cost type and FERC account.

Year	Cost Type	Amount	FERC Account				Explanation	Ref
			920	921	923-Utility	923-Corp		
2019 to 2020	Recorded Adjusted	5,528	4,099	52	1,377			Sch. D1, Line 5
	Labor	143	143				Increase primarily due to labor escalation	
	Materials							
	Contracts							
	Corporation Charges							
	Employee-Related							
	Other	(55)			(55)		Forecast reduction in contract support.	
	Net Change	88	143		(55)			Sch. D1, Line 6

2020	Forecast	5,616	4,242	52	1,322			Sch. D1, Line 5
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PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
4) Total Rewards

Schedule D4
Historical Adjustments
Nominal Dollars
(\$000s)

Purpose: This schedule shows the calculation of the Recorded Adjusted costs appearing on Schedule D1. Line 1 shows the total Recorded costs for each of the historical years, and Lines 2 through 6 show the adjustments made to determine the Recorded Adjusted costs. The two types of adjustments are: (1) Reorganizations, which reflect the movement of employees or contracts from one department to another; and (2) Other Adjustments, which relate to costs excluded from the GRC forecast of the department.

Line	Description	2013	2014	2015	2016	2017	Ref
1	Recorded	7,541	8,613	12,668	6,944	5,298	Sch. D6, Line 5
	Adjustments:						
2	<u>Reorganizations</u>						
2a							
2b							
2c							
2d							
2e							
2f							
2g							
2h							
2i							
2j							
2k							
2l							
3	Subtotal Reorganizations	0	0	0	0	0	
4	<u>Other Adjustments</u>						
4a							
4b							
4c							
5	Subtotal Other Adjustments	0	0	0	0	0	
6	Total Adjustments (line 3 + line 5)	0	0	0	0	0	Sch. D6, line 10
7	Recorded Adjusted (line 1 + line 6)	7,541	8,613	12,668	6,944	5,298	Sch. D1, line 5

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
3) Total Rewards

Schedule D5
Explanations of Historical Adjustments to Support Schedule D4

Table 1: This table provides the business purpose of each Reorganization adjustment on Schedule D4.

	Sch. D4 Adj Line	From Department	To Department	Explanation (e.g. Business purpose of the adjustment)
1				
2				
3			No net historical adjustments for this chapter	
4				
5				
6				

Table 2: This table provides the business purpose of each Other adjustment on Schedule D4.

7				
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PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
3) Total Rewards

Schedule D6
Historical Adjustments by FERC Account
Nominal Dollars
(\$000s)

Purpose: This schedule provides a summary of all Historical Adjustments by FERC Account

Line	Description	2013	2014	2015	2016	2017	Ref
RECORDED BY FERC ACCOUNT							
1	920 Admin & Gen Salaries	5,425	5,761	6,125	4,847	3,697	
2	921 Office Supplies & Ex	394	485	1,453	333	269	
3	923 Outside Services - Utility	1,722	2,367	5,090	1,764	1,332	
4	923 Outside Services - Corp	0	0	0	0	0	
5	Total Recorded	7,541	8,613	12,668	6,944	5,298	Sch. D4, line 1
ADJUSTMENTS BY FERC ACCOUNT							
6	920 Admin & Gen Salaries						
7	921 Office Supplies & Ex					(75)	
8	923 Outside Services - Utility	0	0	0	0	75	
9	923 Outside Services - Corp	0	0	0	0	0	
10	Total Adjustments	0	0	0	0	0	Sch. D4, line 6
RECORDED ADJUSTED BY FERC ACCOUNT							
11	920 Admin & Gen Salaries	5,425	5,761	6,125	4,847	3,697	
12	921 Office Supplies & Ex	394	485	1,453	333	194	
13	923 Outside Services - Utility	1,722	2,367	5,090	1,764	1,407	
14	923 Outside Services - Corp	0	0	0	0	0	
15	Total Recorded Adjusted	7,541	8,613	12,668	6,944	5,298	Sch. D1, line 5

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
3) Total Rewards

Schedule D7
Summary of Vacancy Savings Calculation
Nominal Dollars
(\$000s)

Purpose: This schedule shows labor and vacancy savings.

Line	Description	2018	2019	2020	Ref
FERC Account 920 - Admin & Gen Salaries					
1	Direct Labor ^[a]	4,154	4,291	4,433	
2	Labor Vacancy Savings ^[b]	(191)	(191)	(191)	
3	Indirect Labor ^[c]	(0)	(0)	(0)	
4	Total Labor (FERC Account 920)	<u>3,962</u>	<u>4,099</u>	<u>4,242</u>	Sch. D1, Line 1

[a] Direct Labor is the salaries associated with department employees

[b] Labor vacancy savings was calculated based on the financial view organization for organizations with more than 50 people and PCCs with more than 10 people.

PACIFIC GAS AND ELECTRIC COMPANY
2020 General Rate Case
Exhibit (PG&E-8), Human Resources
3) Total Rewards

Schedule D8
Calculation of Capitalization Rate
Nominal Dollars
(\$000s)

Purpose:

-This schedule shows the capitalization rate for the Department. Corporate Services witnesses identified work performed by their organization that could be eliminated if there were no new or ongoing construction activities being performed by the Company.

-The capitalization rates are then used to calculate an aggregate Labor and M&S Transfer to Construction rate that would be applied to all Corporate Service Organizations. The results are shown in the workpapers supporting Exhibit (PG&E -10) Results of Operations, Chapter 7 Administrative and General Expenses (FERC Account 922 - Transfer to Construction).

Summary

Line	Description	Amount
1	FERC Account 920 - Admin and General Salaries	4,242
2	Imputed transfer to construction - Labor rate	43.90%
3	Total Transfer to Construction - Labor \$	1,862
4	FERC Account 921 - Office Supplies and Expenses	52
5	Imputed transfer to construction - Materials & Supplies (M&S) rate	43.90%
6	Total Transfer to Construction - M&S \$	23

Calculated Transfer to Construction - Labor, by Cost Center:

Line	PCC	Description	A	B	C = A * B	Ref
			FERC 920	Capital Allocation %	Capital Allocation \$	
7	10385	Rewards	4,242	43.90%	1,862	
8		Total	4,242		1,862	

9	Imputed transfer to construction - Labor Rate (Capital Allocation \$ / FERC 920)	43.90%
---	--	--------

Calculated Transfer to Construction - Materials & Supplies (M&S), by Cost Center:

Line	PCC	Description	A	B	C = A * B	Ref
			FERC 921	Capital Allocation %	Capital Allocation \$	
10	10385	Rewards	52	43.90%	23	
11		Total	52		23	

12	Imputed transfer to construction - M&S Rate (Capital Allocation \$ / FERC 921)	43.90%
----	--	--------

Line	PCC	Explanation of Calculation	Ref
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13	The Total Rewards department supports the entire company's workforce, therefore it is appropriate to use the total company labor capitalization factor for this department.	
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PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8), Human Resources
Human Resources Organization
Total Rewards
Schedule FTE
Full Time Equivalent (FTE) Forecast

Purpose: This schedule shows the Full Time Equivalent (FTE) forecast for the organization.
Section 1 shows the year-end FTEs and vacancies for each Department in the base year, and the total forecast FTEs through the test year.
Section 2 shows the year over year changes in FTEs for each Department through the test year.

		A	B	C=(A+B)	D	E	F
Line	Description	2017 Year-End FTE	2017 Vacancies	2017 Year End FTE + Vacancies	2018 Forecast	2019 Forecast	2020 Forecast
Section 1: FTE by Department							
1	Total Rewards	29.6	2.4	32.0	31.0	31.0	31.0
Section 2: Year Over Year FTE Changes by Department							
2	Total Rewards				(1.0)	-	-

PACIFIC GAS AND ELECTRIC COMPANY
 2020 GENERAL RATE CASE
 Exhibit (PG&E-8), Human Resources
 Human Resources Organization
 Total Rewards

Year Over Year FTE Changes

Purpose: This schedule explains the year over year changes in the Full Time Equivalent (FTE) forecast.

2017 to 2018			
Line	Department	Inc/(Dec)	Explanation
1	Total Rewards	(1.0)	Elimination of one vacant position.
2			

2018 to 2019			
Line	Department	Inc/(Dec)	Explanation
3	Total Rewards	0.0	

2019 to 2020			
Line	Department	Inc/(Dec)	Explanation
4	Total Rewards	0.0	

Project Title: Tool to Automate Job & Market Pay Analysis

Major Work Categories: 2F/JV

Planning Order Numbers: 5778780/5259703

Project Start Date: April 2019

Project Completion Date: October 2020

Operative Date (only applies to Capital): October 2020

Project Description

Develop a tool and the process to automate the analysis of job classifications and compare them to market data in order to determine the appropriate market rate for each job classification.

Justification

Automating job analysis and market pricing will improve the accuracy of market rates assigned to individual job classifications. New California and San Francisco laws related to equal pay for substantially similar work, for individuals sharing a job title and across jobs performing similar functions, and interpretations issued by the Office of Federal Contract Compliance Programs (OFCCP) require that PG&E conduct more detailed analyses than it has historically in order to fully comply and be able to demonstrate compliance in future audits.

. The following are some of the specific laws or regulations the tool is expected to address:

- Federal: Equal Pay Act,
- Federal Title VII of the Civil Rights Act,
- California: Equal Pay Act,
- California Fair Pay Act
- San Francisco: Parity in Pay Ordinance

Cost

PG&E used the Company's IT Project Estimating Tool (PET) to develop a cost estimate and document assumptions for this project. The forecast costs for this project, shown in the table below, are based on these assumptions. For further discussion on the PET, please see Exhibit (PG&E- 7), Chapter 8 and supporting workpapers. The specific output from the PET for this Project can be provided upon request.

Project Spending Estimates
(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	N/A	N/A	\$445	\$53	\$0	\$0	\$53
Capital							
MWC 2F	N/A	N/A	N/A	\$51	\$0	\$0	\$51

Benefits

- Will eliminate manual processes, resulting in reduced contractor support in 2020.
- Automation will improve future compliance with new and increasingly-strict regulations surrounding equal pay which will minimize the risk of future fines associated with unequal pay decisions.
- Will improve analytic capabilities related to market data.

Alternatives Considered

- Continue with manual process to evaluate job classifications and market data in order to determine market pay for each job classification and develop manual reports to analyze data as required. This alternative includes no reduction in the use of contract resources.

Project Title: Tool to Automate Pay Decisions
Major Work Categories: 2F/JV
Planning Order Numbers: 5778781/5259704
Project Start Date: 2/1/2019
Project Completion Date: 10/15/2019
Operative Date (only applies to Capital): 10/15/2019

Project Description

Develop a online tool to provide pay offer recommendations to leaders for placements for newly hired employees and internal movement of employees into new jobs and/or positions based on predictive analytics.

Justification

New laws and regulations intended to correct pay inequities in the marketplace are disrupting traditional pay decision-making models, requiring that PG&E update its pay practices to remain in compliance.

Automating pay offer analysis for all placements (new hires and internal moves) ensures that differences in starting pay for the same and substantially similar jobs are documented and only attributable to defensible differences in candidate qualifications or experience, as required by law and regulations. Supports compliance with the following laws and regulations:

- Federal: Equal Pay Act
- Federal Title VII of the Civil Rights Act
- Federal Age Discrimination in Employment Act
- California: Equal Pay Act
- California Fair Pay Act
- San Francisco: Parity in Pay Ordinance

Cost

PG&E used the Company's IT Project Estimating Tool (PET) to develop a cost estimate and document assumptions for this project. The forecast costs for this project, shown in the table below, are based on these assumptions. For further discussion on the PET, please see Exhibit (PG&E- 7), Chapter 8 and supporting workpapers. The specific output from the PET for this Project can be provided upon request.

Project Spending Estimates
(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	N/A	N/A	\$501	\$0	\$0	\$0	\$0
Capital							
MWC 2F	N/A	N/A	\$45	\$0	\$0	\$0	\$0

Benefits

- Reduction of contract resources who today support of pay analysis and recommendations.
- Reduces future litigation costs associated with being unable to demonstrate that pay practices were non-discriminatory

Alternatives Considered

- Continue with manual process to review pay for newly hired employees and internal transfers and use of contract resources.
- Limit compensation guidance provided to HR Business Partners, Recruiters and Hiring Leaders to consultaion only, without analysis of pay impacts and market rates. This alternative was not chosen because it may result in unintended pay differentials that cannot be supported or pay that is outside the target market for the position.

Project Title: Job Connect Phase 2 & 3
Major Work Categories: JV
Planning Order Numbers: 5259706
Project Start Date: 1/1/2019
Project Completion Date: 11/1/2020
Operative Date (only applies to Capital): N/A

Project Description

This project continues to update and improve PG&E's processes related to creation and maintenance of jobs in PG&E SAP Human Capital Management system. This project builds upon earlier work completed in 2014 and 2015.

Phase 2: Improve job catalogs, develop workflow and processes to Include LOB leaders in the online job creation and job maintenance process

Phase 3: Integrate JobConnect with Performance Management and Workforce Analytics.

Justification

Enhancing job review process to include LOB leaders will reduce the need for Compensation staff to review each job as it is created or updated allowing them to focus on market and job function analysis; integrating with Performance Management and Workforce Analytics (being deployed under the Online HR project, described in Exhibit (PG&E-8), Chapter 2 HR Operations. Including job attributes in with Performance Management and Workforce Analytics solutions will allow PG&E to offer improved reports to the business without manual intervention to merge data from different systems.

In addition, improving the job catalog and online search functionality within JobConnect will allow leaders and HR professionals to more easily identify an exist job classification that meets their needs, instead of creating new, potentially redundant job classifications. Creating extra or redundant job classifications increases the opportunity for unintentional pay disparity to occur.

Cost

PG&E used the Company's IT Project Estimating Tool (PET) to develop a cost estimate and document assumptions for this project. The forecast costs for this project, shown in the table below, are based on these assumptions. For further discussion on the PET, please see Exhibit (PG&E- 7), Chapter 8 and supporting workpapers. The specific output from the PET for this Project can be provided upon request.

Project Spending Estimates
(Thousands of Nominal Dollars)

	Recorded	Forecast (000s)					
	2017	2018	2019	2020	2021	2022	2020-2022
Expense							
MWC JV	N/A	N/A	\$391	\$272	\$0	\$0	\$272
Capital							
MWC 2F	N/A	N/A	N/A	\$0	\$0	\$0	\$0

Benefits

- Eliminates manual processes and allows team to focus on market and pay analysis.
- Minimizes the creation of duplicative or redundant job classifications which in turn minimizes inadvertently creating pay disparities.
- Provides the integrated data and system to allow for improved reporting and decision making.

Alternatives Considered

Continue with existing manual processes, which would require additional contract or employee resources to perform the market and pay analysis required to comply with pay related laws and regulations.

Table 4-1
Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Chapter 4
Compensation, STIP and Labor Escalation
Expenses by Major Work Category
(Thousands of Nominal Dollars)

Line No.	MWC	Description	2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast	2020 Forecast	Reference
1	JV	Maintain IT Apps & Infra				648	(0)		1,337	325	
2		Total	-	-	-	648	(0)	-	1,337	325	
IT Expense by Project											
3	JV	Tool to Automate Job & Mkt Analysis	-	-	-	-	-	-	445	53	WP 4-18
4	JV	Tool to Automate Pay Decisions	-	-	-	-	-	-	501	-	WP 4-20
5	JV	Job Connect Phase 2 & 3	-	-	-	-	-	-	391	272	WP 4-22
6	JV	Other Projects	-	-	-	648	(0)	-	-	-	
7		Total	-	-	-	648	(0)	-	1,337	325	

Table 4-2
Pacific Gas and Electric Company
2020 General Rate Case
Exhibit (PG&E-8), Chapter 4
Compensation, STIP and Labor Escalation
Expenses by Major Work Category
(Thousands of Base Year Dollars)

Line No.	MWC	Description	2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast	2020 Forecast	Reference
1	JV	Maintain IT Apps & Infra				660	(0)		1,278	303	
2		Total	-	-	-	660	(0)	-	1,278	303	

Table 4-1
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 4
Compensation, STIP and Labor Escalation
Capital Expenditures by Major Work Category
(Thousands of Nominal Dollars)

No.	MWC	Description	Capital Expenditures										Reference
			2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	
1	2F	Build IT Apps & Infra	-	-	2,001	-	-	-	-	45	51	-	-
2		Total	-	458	2,001	-	-	-	-	45	51	-	-
Capital by Project													
3		Tool to Automate Job & Mkt Analysis	-	-	-	-	-	-	-	-	51	-	WP 4-18
4		Tool to Automate Pay Decisions	-	-	-	-	-	-	-	45	-	-	WP 4-20
5		SAP Improve - Job Catalog	-	458	2,001	-	-	-	-	-	-	-	WP 4-22
6		Total	-	458	2,001	-	-	-	-	45	51	-	-

Table 4-2
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 4
Compensation, STIP and Labor Escalation
Forecast Capital Expenditures Summary
(Thousands of Nominal Dollars)

Line No.	Description	2017 CWIP	Capital Expenditures				Reference
			2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
1	Planning Orders > \$3 Million*	-	-	-	-	-	-
2	Other Work	-	-	45	51	-	-
3	Total	-	-	45	51	-	-

* Planning orders where Construction Work in Progress (CWIP) Balance as of December 31, 2017 plus five years (2018-2022) of forecast expenditures exceeds \$3 Million.

Table 4-3
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 4
Compensation, STIP and Labor Escalation
Recorded CWIP and Forecast Capital Expenditures Details - Planning Orders Over \$3 Million*
(Thousands of Nominal Dollars)

Line No.	Planning Order	Description	MWC	Operative Date	CWIP 2017 Recorded Adjusted	Capital Expenditures					Subtotal	Reference
						2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast		
2					-	-	-	-	-	-	-	-
Grand Total												-

* Planning orders where Construction Work in Progress (CWIP) Balance as of December 31, 2017 plus five years (2018-2022) of forecast expenditures exceeds \$3 Million.
Note that this table includes both single projects forecast to exceed \$3 million and programs with multiple smaller projects that in total are forecast to exceed \$3 million.

Table 4-4
Pacific Gas and Electric Company
2020 GRC
Exhibit (PG&E-8), Chapter 4
Compensation, STIP and Labor Escalation
Recorded and Forecast Capital Expenditures Details - Other Work*
(Thousands of Nominal Dollars)

Line No.	MWC	Description	Capital Expenditures										Reference
			2013 Recorded Adjusted	2014 Recorded Adjusted	2015 Recorded Adjusted	2016 Recorded Adjusted	2017 Recorded Adjusted	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	
1	2F	Build IT Apps & Infra	-	458	2,001	-	-	-	45	51	-	-	
2	Grand Total		-	458	2,001	-	-	-	45	51	-	-	

* Excludes projects greater than \$3M

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources
Workpapers Supporting
Chapter 4, Total Rewards, STIP, Non-Qualified Retirement and Labor Escalation
Short Term Incentive Plan (STIP)

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Short Term Incentive Plan (STIP)

Historical and Forecast Expenses
Nominal and Base Year Dollars
(\$000s)

Line	Description	Resource	2013	2014	2015	2016	2017	2018	2019	2020
			Recorded Adjusted			Forecast				
1	Utility Non-Exec STIP	LAB	140,878	182,703	176,925	146,802	151,764	\$163,028	\$167,514	\$172,989
2	Utility Executive STIP	LAB	-	-	-	-	-	-	-	-
3	PG&E Corporation Non-Executive STIP	LAB	223	310	271	256	430	\$464	\$479	\$495
4	PG&E Corporation Executive STIP	LAB	-	-	-	-	-	-	-	-
5	Remove Executive STIP	LAB	-	-	-	-	-	-	-	-
5	Total		141,101	183,013	177,196	147,058	152,195	163,492	167,993	173,484
6	Year to Year Change			41,912	(5,817)	(30,138)	5,137	11,297	4,502	5,491
NOTE: PG&E Corporation includes STIP for eligible PG&E Corporation Support Services II employees.										
7	Escalation Factor	LAB	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
8	Escalation Factor	M&S	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
9	Escalation Factor	OTH	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
10	Escalation Factor	Medical	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
11	Escalation Factor	Wage-related	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
Base Year Dollars										
12	Utility Non-Exec STIP	LAB	159,268	200,557	188,612	151,734	151,764	157,850	157,043	157,025
13	Utility Executive STIP	LAB	-	-	-	-	-	-	-	-
14	PG&E Corporation Non-Executive STIP	LAB	252	340	289	265	430	449	449	449
15	PG&E Corporation Executive STIP	LAB	-	-	-	-	-	-	-	-
16	Total		159,520	200,896	188,901	151,999	152,195	158,299	157,492	157,475

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources
Workpapers Supporting
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Short Term Incentive Plan (STIP)

Historical Adjustments
Nominal Dollars
(\$000s)

Line	Description	2013	2014	2015	2016	2017	Explanation	Ref
Recorded								
1	Utility Non-Exec STIP	\$141,346	\$184,587	\$181,283	\$143,668	\$139,405		
2	Utility Executive STIP	9,847	11,304	11,446	6,988	6,756		
	PG&E Corporation Non-							
3	Executive STIP	\$272	\$251	\$266	\$242	\$538		
	PG&E Corporation Executive							
4	STIP	\$1,824	\$2,143	\$1,949	\$2,827	\$1,882		
5		153,289	198,285	194,945	153,725	148,581		

Adjustments

6	Utility Non-Exec STIP	(468)	(1,884)	(4,357)	3,134	12,360	Accrual to Cash Adjustment, adjusted recorded reflects actual payments.
7	Utility Executive STIP	(9,847)	(11,304)	(11,446)	(6,988)	(6,756)	PG&E is not seeking recovery of executive STIP.
	PG&E Corporation Non-						
8	Executive STIP	(49)	58	5	14	(108)	Accrual to Cash Adjustment, adjusted recorded reflects actual payments.
	PG&E Corporation Executive						
9	STIP	(1,824)	(2,143)	(1,949)	(2,827)	(1,882)	PG&E is not seeking recovery of executive STIP.
10	Total Adjustments	(12,188)	(15,272)	(17,748)	(6,667)	3,614	

Recorded Adjusted

11	Utility Non-Exec STIP	140,878	182,703	176,925	146,802	151,764	
12	Utility Executive STIP	-	-	-	-	-	
	PG&E Corporation Non-						
13	Executive STIP	223	310	271	256	430	
	PG&E Corporation Executive						
14	STIP	-	-	-	-	-	
15	Total Recorded Adjusted	141,101	183,013	177,196	147,058	152,195	

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources
Workpapers Supporting
Chapter 4, Total Rewards, STIP, Non-Qualified Retirement and Labor Escalation
Short Term Incentive Plan (STIP)

Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)

Line	Description	Amount	Comments, Assumptions, Descriptions
1	2013 Recorded Adjusted	\$141,101	
2			
3	Headcount change	2,280	Increase in employee headcount
4	Change in STIP Score and Wage Escalation	39,632	Final STIP Score increased to 1.352 from 1.116. STIP target payout also increased with wage escalation.
5			
6			
7			
8			
9			
10	2014 Recorded Adjusted	\$183,013	
11			
12	Headcount change	4,359	Increase in employee headcount
13	Change in STIP Score and Wage Escalation	(10,176)	Final STIP Score decreased to 1.217 from 1.352, offset partially by an increase due to wage escalation.
14			
15			
16			
17			
18			
19	2015 Recorded Adjusted	\$177,196	
20			
21	Headcount change	4,945	Increase in employee headcount
22	Change in STIP Score and Wage Escalation	(35,083)	Final STIP Score decreased to 0.936 from 1.217, offset partially by an increase due to wage escalation.
23			
24			
25			
26			
27			
28	2016 Recorded Adjusted	\$147,058	
29			
30	Headcount change	(4,680)	Decrease in employee headcount.
31	Change in STIP Score and Wage Escalation	9,817	Final STIP Score increased to 0.959 from 0.936. STIP target payout also increased with wage escalation.
32			
33			
34			
35			
36			
37	2017 Recorded Adjusted	\$152,195	
38			
39	Headcount change	(854)	Forecast decrease in employee headcount.
40	Change in STIP Score and Wage Escalation	12,151	Wage escalation and a forecast of STIP at target.
41			
42			
43			
44			
45			
46	2018 Forecast	\$163,492	
47			
48	Headcount change	(22)	Forecast decrease in employee headcount. Net impact due to headcount changes relative to the base year 1,001k increase.
49	Wage Escalation	4,524	
50			
51			
52			
53			
54			
55	2019 Forecast	\$167,993	
56			
57	Headcount change	(22)	Forecast decrease in employee headcount. Net impact due to headcount changes relative to the base year 1,011k increase.
58	Wage Escalation	5,513	
59			
60			
61			
62			
63	2020 Forecast	\$173,484	

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-8) Human Resources
Workpapers Supporting
Chapter 4, Total Rewards, STIP, Non-Qualified Retirement and Labor Escalation
Short Term Incentive Plan (STIP)

Company-Wide Expense: STIP

Forecast Methodology/Assumptions:

The 2017 STIP eligible earnings for each participating employee was escalated to the forecast year using PG&E forecast labor escalation rates. These forecast earnings were then multiplied by the employees target participation rate, resulting in a STIP forecast at a target of 1.0. A headcount adjustment (percentage change in headcount) was applied to account for forecast increases and decreases in headcount as compared to 2017.

There is no SB901 adjustment to PG&E's STIP forecast as PG&E is not seeking recovery of STIP paid to executives.



2017 Year-End STIP Update

Key Points

We were successful in hitting year-end targets for eight of our thirteen Short-Term Incentive Plan (STIP) measures. As a result of our performance, the overall PG&E 2017 STIP score is **0.959**. A detailed interpretation of the STIP 2017 Scorecard follows, along with an explanation of our final results.

For further details on how STIP works and how to calculate STIP, refer to the [STIP intranet site](#).

STIP 2017 Scorecard

2017 STIP Measures	Weight	STIP Performance Targets ⁽¹⁾			Results		
		Threshold 0.5	Target 1.0	Maximum 2.0	Results	Unweighted Score	Weighted Score
Safety	50%						0.667
DCPP Reliability and Safety Indicator – Unit 1	4%	85.3	90.5	95.8	97.0	2.000	0.080
DCPP Reliability and Safety Indicator – Unit 2	4%	85.3	87.6	90.0	90.0	2.000	0.080
Electric Overhead Conductor Index	5%	0.500	1.000	2.000	1.142	1.142	0.057
911 Emergency Response	5%	95.0%	97.5%	98.5%	96.6%	0.820	0.041
Gas In-Line Inspection (ILI) and Upgrade Index	6%	0.5	1.0	2.0	1.9	1.900	0.114
Gas Dig-ins Reduction	5%	2.02	1.92	1.82	1.89	1.300	0.065
Gas Emergency Response	5%	22.0	21.0	20.0	20.4	1.600	0.080
SIF Corrective Action Index	6%	0.5	1.0	2.0	2.0	2.000	0.120
Serious Preventable Motor Vehicle Incident (SPMVI) Rate	6%	0.252	0.239	0.224	0.287	0.000	0.000
Timely Reporting of Injuries	4%	67.3%	71.3%	75.3%	69.3%	0.750	0.030
Customer	25%						0.000
Customer Satisfaction Score	15%	75.9	76.4	77.9	75.6	0.000	0.000
System Average Interruption Duration Index (SAIDI)	10%	110.2	107.0	104.7	114.0	0.000	0.000
Financial	25%						0.292
Earnings from Operations (\$M) ⁽²⁾	25%					1.169	0.292
Overall YTD 2017 STIP Score	100.00%						0.959

Our EFO target is not publicly reported. Unbudgeted items impacting comparability (such as changes in accounting methods) will be excluded.

The Compensation Committee of the PG&E Corporation Board of Directors has complete discretion to determine and pay all STIP awards to officers and non-officer employees. This includes discretion to reduce the final score on any and all measures downward to zero.

Detailed Interpretation of STIP 2017 Scorecard

Safety – 50 percent of total STIP score

Public Safety

Nuclear Operations

- *Diablo Canyon Power Plant Reliability and Safety Indicator:* The year-end score as reported to Institute of Nuclear Power Operations (INPO) for PG&E's Diablo Canyon Power Plant Units 1 and 2 is based on twelve performance indicators for nuclear power generation, including unit capability, radiation exposure and safety accident rate.

Performance: Unit 1 exceeded the year-end stretch goal, resulting in second quartile performance due to refueling outage duration. Unit 2 met the year-end stretch goal, achieving maximum possible performance.

Gas Operations

- *In-Line Inspection (ILI) and Upgrade Index:* PG&E's ability to complete planned in-line inspections and pipeline retrofit projects. Includes two equally weighted components: In-Line Inspections and In-Line Upgrades.

Performance: Year-end Index score exceeded the year-end target primarily due to ILI upgrade project bundling efforts with the strength test program and three inspection projects successfully pulled forward from 2018. Performance was driven by inspecting 309 miles (versus 242 miles target) and upgrading 154 miles (versus 132 miles target). No benchmark.

- *Gas Dig-Ins Reduction:* The total number of third-party dig-ins to PG&E gas assets per 1,000 Underground Service Alert (USA) tickets. A dig-in refers to any damage (impact or exposure) that result in a repair or replacement of an underground facility as a result of an excavation.

Performance: Year-end rate slightly exceeded the year-end target. Performance was achieved through active engagement with customers, local government, and contractors in damage prevention, including the Dig-in Reduction Team, Public Awareness, and Project Satisfaction Survey teams. Second quartile performance.

- *Gas Emergency Response:* The average response time that a Gas Service Representative (GSR) or qualified first responder takes to respond to the site of an immediate response gas emergency order.

Performance: Year-end results exceeded the target. Gas Service Representatives respond to all gas odor calls as "Priority 0, Immediate Response." First quartile performance.

Electric Operations

- *Electric Overhead Conductor Index:* Tracks work that supports the safe, reliable operation of the overhead electric system. The index is comprised of three equally weighted components: (1) Electric Distribution Infrared Inspections, (2) Electric Distribution Conductor Upgrades, and (3) Transmission and Distribution (T&D) Vegetation Management Public Safety and Reliability (PS&R) program.

Performance: Year-end Index score exceeded the year-end target. Performance was driven by completing infrared inspection work and vegetation management work ahead of plan. Overhead conductor replacement performance was below target due primarily to resource reprioritization in the fourth quarter for October 2017 wildfire response. No benchmark.

- *911 Emergency Response:* The percentage of time that PG&E staff relieve first responders at the site of a potential PG&E electric hazard within 60 minutes.

Performance: Did not meet the year-end target due to significant increase in first quarter storm-related calls and an overall 48 percent increase in 2017 response requests compared to the three-year average. First quartile performance.

Employee Safety

- *Serious Injuries and Fatalities (SIF) Corrective Action Index:* PG&E's response to SIF events by measuring the quality and timely completion of planned actions. Consists of two equally weighted components: (1) Quality of Corrective Actions, and (2) Timely Completion of Corrective Actions.

Performance: Year-end results exceeded year-end stretch performance. Performance was driven by focused attention on corrective actions and steady improvement throughout the year. No benchmark.

- *Serious Preventable Motor Vehicle Incident (SPMVI) Rate:* The total number of serious preventable motor vehicle incidents that the driver could have reasonably avoided, per one million miles driven.

Performance: Did not meet the year-end target. Result is mainly due to rear-ending and striking stationary objects, which accounted for 56 percent of total SPMVIs in 2017. No benchmark.

- *Timely Reporting of Injuries:* Percentage of work-related injuries reported to the 24/7 Nurse Report Line within one day of the incident.

Performance: Did not meet the year-end target, but exceeded the threshold and outperformed 2016 results. Performance was driven by increased focus on reporting. No benchmark

Customer – 25 percent of total STIP score

- *Customer Satisfaction Score (CSS):* The overall satisfaction of customers with the products and services offered by PG&E, as measured through an ongoing quarterly survey.

Performance: Did not meet the year-end threshold goal. Declined primarily due to customer dissatisfaction with pricing changes and high winter bills. Third quartile performance.

- *System Average Interruption Duration Index (SAIDI):* The total time the average customer is without electric power during a given time period (measured in number of minutes). Includes all planned and unplanned sustained outages.

Performance: Did not meet the year-end threshold goal. Performance was driven by a high number of significant weather impacts, including effects of late-winter weather events, record precipitation, record summer heat events, and wildfires. As measured by frequency, the system average number of interruptions was the second-best year on record. Second quartile performance.

Financial – 25 percent of total STIP score

- *Earnings from Operations (EFO):* Net income excluding items impacting comparability, which represent income or expenses associated with events or circumstances considered unusual and not part of ongoing core operations. The measurement is non-GAAP.

- *Performance:* The 2017 earnings from operations target is not publicly reported.

The Compensation Committee of the PG&E Corporation Board of Directors has complete discretion to determine and pay all STIP awards to officers and non-officer employees. This includes discretion to reduce the final score on any and all measures downward to zero. Payments advanced under the STIP are subject to the PG&E Corporation and Pacific Gas and Electric Company Executive Incentive Compensation Recoupment Policy.

2018 Short Term Incentive Plan (STIP) Performance Measures & Targets



(PG&E-8)
These performance measures and targets have been approved by the Compensation Committee of the PG&E Corporation Board of Directors, which retains complete discretion to determine and pay all STIP awards to officers and non-officer employees.

2018 STIP Structure and Performance Targets

STIP is designed to incent and reward eligible employees for performance in core areas that drive our business: public and employee safety, customer satisfaction and earnings.

- STIP is an at-risk component of pay that rewards us annually for company and individual performance
- Contact your leader or HR Business Partner with questions

SIP Category – Safety (50% Weighting)

2018 STIP Measures		Weight	Definition	What's New in 2018	2018 STIP Performance Targets		
					Threshold	Target	Maximum
Public Safety	Nuclear	5%	A composite of 11 performance indicators for nuclear power generation developed by the nuclear industry and applied to all U.S. nuclear power plants.	Same measure and definition as 2017	85.3	96.4	100.0
	Electric	10%	A weighted index of three programs that evaluate compliance in the CPUC High Fire-Threat District (HFTD): Vegetation Non-Exempt Pole Clearing - 25% Routine Line Vegetation Management - 50% Tree Mortality Mitigation Program - 25%	New measure for 2018: Evaluates process compliance and drives process improvements related to fire safety.	85.3	87.6	90.0
	Gas & Electric Operations	10%	An equally-weighted index comprised of Gas and Electric Asset Record Duration Indices tracking the average number of days to complete the as-built process of capital and expense jobs. Gas: Weighted index of Transmission (60%), Station (10%) and Distribution (30%) as-built durations. Electric: Weighted index of Transmission-Line (25%), Substation (25%) and Distribution (50%) as-built durations.	New measure for 2018: Drives timely updates of gas and electric records and systems.	0.5	1.0	2.0
Employee Safety	Gas In-Line Inspection and Upgrade Index	5%	PG&E's ability to complete planned in-line inspections and pipeline retrofit projects. Consists of two equally-weighted components: In-Line Inspections and In-Line Upgrades.	Same measure and definition as 2017	0.5	1.0	2.0
	Gas Dig-ins Reduction	5%	The total number of third-party gas dig-ins to PG&E subsurface installations per 1,000 Underground Service Alert (USA) tickets received for gas.	Same measure and definition as 2017	1.89	1.84	1.75
	Serious Injuries and Fatalities (SIF) Corrective Action Index	10%	PG&E's response to employee and contractor Serious Injuries and Fatalities (SIF) incidents, measuring the timely and quality completion of planned actions. Consists of two equally-weighted sub-metrics: - Timely Completion of Corrective Actions - Quality of Corrective Actions	Quality of Corrective Actions sub-metric definition revised in 2018 to include contractor SIF actual events.	0.5	1.0	(PG&E-8)
	Safe Driving Rate	5%	The total number of Vehicle Safety Technology (VST) alerts for hard braking and hard acceleration per thousand miles driven.	New measure for 2018: Drives safe driving behaviors by employees in our fleet vehicles.	6.7	6.5	6.1

Customer (25% Weighting)

2018 STIP Measures	Weight	Definition	What's New in 2018	2018 STIP Performance Targets		
				Threshold	Target	Maximum
Customer Satisfaction Score	15%	The overall satisfaction of customers with the products and services offered by PG&E, as measured through an ongoing quarterly survey.	Same measure and definition as 2017	74.2	75.2	76.7
Customer Connection Cycle Time	10%	The 12-month average Service Planning and Construction cycle time for electric residential Express Connections New Business Work (16 hrs. or less of construction) requested by PG&E customers.	New measure for 2018: Drives improved customer satisfaction related to customer-requested connections.	15	10	8

Financial (25% Weighting)

2018 STIP Measures	Weight	Definition	What's New in 2018	2018 STIP Performance Targets		
				Threshold	Target	Maximum
Earnings from Operations (EFO) (\$M)	25%	Financial performance per share from ongoing core operations. The measurement is non-GAAP.	Same measure and definition as 2017	--	--	--

Scores are evenly distributed (linear) between the points on the scales above, except EFO which utilizes the performance scale
 Our EFO target is not publicly reported but is consistent with the guidance range for 2017 EPS from operations. Unbudgeted items impacting comparability (such as changes in accounting methods) will be excluded.

(PG&E-8)

STIP Calculation

1. Total Target STIP Payout

The Total Target STIP Payout is the amount that would be paid to plan participants if the Company achieved an overall score of 1.0. PG&E is requesting recovery of its forecasted Total Target STIP Payout. It is calculated by first multiplying each participant's target participation rate times his or her eligible earnings, then calculating the sum of these amounts.

$$\boxed{\text{Total Target STIP Payout}} = \sum \boxed{\text{Target Participation Rate}} \times \boxed{\text{Employee Eligible Earnings}}$$

Each eligible employee is assigned a STIP target participation rate, based on his or her job level during the Plan Year. These target participation rates reflect a targeted percentage of the employee's eligible earnings, which are the base wages paid to the employee during the Plan Year. The higher an employees' job level within the Company, the greater the proportion of pay at risk in their total compensation package. This approach is based both on market practice and the expectation that with higher potential compensation there should be greater pay at risk. The STIP target participation rates for non-officer employees for 2007 through 2018 range from 6 percent to 30 percent.

2. Actual STIP Cost

Target STIP Payout is multiplied by the Company Performance Score to determine the Actual STIP Cost for the year.

$$\boxed{\text{Actual STIP Cost}} = \boxed{\text{Total Target STIP Payout}} \times \boxed{\text{Company Performance Score}}$$

3. Company Performance Score

The final STIP performance score is determined by evaluating achievement of business performance measures based on the rating scales and standards established at the beginning of each Plan Year. Before the

STIP Calculation

final STIP score is calculated, the Compensation Committee of the Board of Directors reviews and approves the results.

The STIP measures encourage stretch performance to accomplish key goals and are scored on a 0.0 to 2.0 scale. The results are then weighted and added together to get the final Company Performance Score. The final STIP score can range from 0.0 to 2.0 (for a minimum to a maximum payout), depending on achieved results. Notwithstanding the Company performance score, the Compensation Committee of the Board of Directors has ultimate discretion when approving STIP each year.

4. Individual Employee STIP Payments

Leaders may also modify an employee's STIP payment based on his or her individual performance. However, these individual performance modifiers do not impact the overall cost of the STIP payout because leaders are required to stay within the budgeted amount for the total organization.

$$\begin{array}{|c|} \hline \text{Target} \\ \text{Participation} \\ \text{Rate} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Eligible} \\ \text{Earnings} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Individual} \\ \text{Performance} \\ \text{Modifier} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Company} \\ \text{Performance} \\ \text{Score} \\ \text{(STIP Score)} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Individual} \\ \text{STIP} \\ \text{Payment} \\ \hline \end{array}$$

**PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources**

**Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans**

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PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources

Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans

Historical and Forecast Expenses
Nominal and Base Year Dollars
(\$000s)

Line	Description	Resource	Recorded Adjusted					Forecast		
			2013	2014	2015	2016	2017 [a]	2018	2019	2020
1	Utility SERP - Utility Employees	OTH	999	1001	946	920	886			
2	Utility SERP - PG&E Corporation Employees	OTH	44	44	44	44	22			
3	Total Utility SERP Payments [b]	OTH	1,043	1,045	990	964	908	908	908	908
4	Corp SERP - Utility Employees	OTH	487	566	779	965	1,153			
5	Corp SERP - Non-Exec Utility Employees	OTH	-	-	8	7	7			
6	Corp SERP - Corp Employees	OTH	339	360	439	446	536			
7	Total PG&E Corporation SERP Plan [b]	OTH	826	926	1,226	1,418	1,696	1,696	1,696	1,696
8										
9	Utility Ret Excess-Utility EEs	OTH	105	50	67	68	81	81	81	81
10	Utility SRSP Non-Exec	LAB					445	460	475	491
11	Utility SRSP Exec (non-SEC)	LAB					127	131	136	140
12	Utility SRSP SEC Rule 240.3b-7	LAB					97	100	104	107
13	Utility DCESRP - non-SEC Exec	LAB					439	453	468	483
14	Utility DCESRP - SEC Rule 240.3b-7	LAB					67	69	71	73
15	Total Utility Non-Qualified Defined Contribution	LAB	489	742	922	1,053	1,175	1,214	1,254	1,295
16	SB901 Adjustment						(164)	(169)	(175)	(181)
17	Total Utility Non-Qualified Defined Contribution after SB 901 Adj.	LAB					1,012	1,045	1,079	1,114
18										
19	Corp SRSP Executive (all SEC Rule 240.3b-7	LAB					147	152	157	162
20	Corp SRSP Non-Exec	LAB					124	128	132	137
21	Corp DCESRP SEC Rule 240.3b-7	LAB					23	6	7	7
22	Corp DCESRP Non-SEC	LAB					0	0	0	0
23	Total Corp Non-Qual Defined Contribution Plans	LAB	9	167	173	130	295	287	296	306
24	SB901 Adjustment	LAB					(271)	(280)	(290)	(299)
25	Total PG&E Corporation Non-Qualified Defined Contribution after SB 901 Adj.	LAB					23	7	7	7
26	Total		2,471	2,929	3,378	3,633	3,719	3,736	3,770	3,806
27										
28	Year to Year Change			458	449	255	86	17	34	36

(PG&E-8)

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources

Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans

Historical and Forecast Expenses
Nominal and Base Year Dollars
(\$000s)

Line	Description	Resource	Recorded/Adjusted					Forecast		
			2013	2014	2015	2016	2017 [a]	2018	2019	2020
29	Escalation Factor	LAB	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
30	Escalation Factor	M&S	0.9459	0.9601	0.9745	0.9852	1.0000	1.0170	1.0373	1.0591
31	Escalation Factor	OTH	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
32	Escalation Factor	Medical	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
33	Escalation Factor	Wage-related	0.8845	0.9110	0.9380	0.9675	1.0000	1.0328	1.0667	1.1017
Base Year Dollars										
34	Utility SERP - Utility Employees	OTH	\$999	\$1,001	\$946	\$920	\$886	\$0	\$0	\$0
35	Utility SERP - PG&E Corporation Employees	OTH	\$44	\$44	\$44	\$44	\$22	\$0	\$0	\$0
36	Total Utility SERP Payments [b]	OTH	\$1,043	\$1,045	\$990	\$964	\$908	\$908	\$908	\$908
37	Corp SERP - Utility Employees	OTH	\$487	\$566	\$779	\$965	\$1,153	\$0	\$0	\$0
38	Corp SERP - Non-Exec Utility Employees	OTH	\$0	\$0	\$8	\$7	\$7	\$0	\$0	\$0
39	Corp SERP - Corp Employees	OTH	\$339	\$360	\$439	\$446	\$536	\$0	\$0	\$0
40	Total PG&E Corporation SERP Plan [b]	OTH	\$826	\$926	\$1,226	\$1,418	\$1,696	\$1,696	\$1,696	\$1,696
41										
42	Utility Ret Excess-Utility EEs	OTH	\$105	\$50	\$67	\$68	\$81	\$81	\$81	\$81
43	Utility SRSP Non-Exec	LAB					\$445	\$445	\$445	\$445
44	Utility SRSP Exec (non-SEC)	LAB					\$127	\$127	\$127	\$127
45	Utility SRSP SEC Rule 240.3b-7	LAB					\$97	\$97	\$97	\$97
46	Utility DCESRP - non-SEC Exec	LAB					\$439	\$439	\$439	\$439
47	Utility DCESRP - SEC Rule 240.3b-7	LAB					\$67	\$67	\$67	\$67
48	Total Utility Non-Qualified Defined Contribution	LAB	\$489	\$742	\$922	\$1,053	\$1,175	\$1,175	\$1,175	\$1,175
49	SB901 Adjustment						(164)	(164)	(164)	(164)
50	Total Utility Non-Qualified Defined Contribution after SB 901 Adj.	LAB					\$1,012	\$1,012	\$1,012	\$1,012
51										
52	Corp SRSP Executive (all SEC Rule 240.3b-7)	LAB					\$147	\$147	\$147	\$147
53	Corp SRSP Non-Exec	LAB					\$124	\$124	\$124	\$124
54	Corp DCESRP SEC Rule 240.3b-7	LAB					\$23	\$6	\$6	\$6
55	Corp DCESRP Non-SEC	LAB					\$0	\$0	\$0	\$0
56	Total Corp Non-Qual Defined Contribution Plans	LAB	\$9	\$167	\$173	\$130	\$295	\$287	\$296	\$306
57	SB901 Adjustment						(271)	(280)	(290)	(299)
58	Total PG&E Corporation Non-Qualified Defined Contribution after SB 901 Adj.	LAB					\$23	\$7	\$7	\$7
59	Total		2,471	2,929	3,378	3,633	3,719	3,703	3,703	3,703

(PG&E-8)

[a] The SB901 adjustment is included in the total from 2017 forward. 2017 and 2018 are illustrative for trending as the law goes into effect in 2019.
[b] PG&E inadvertently included 100 percent of the SERP in its RO Model. PG&E will reduce that amount to 50 percent consistent with this workpaper in a future errata.

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources

Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans

Historical Adjustments
Nominal Dollars
(\$000s)

Line	Description	2013	2014	2015	2016	2017	Explanation	Ref
Recorded								
1	Pacific Gas and Electric Company SERP Plan	2,085	2,089	1,980	1,928	1,815	Supplemental Retirement Plan payments to former utility employees and PG&E Corporation employees where they supported the Utility.	
2	PG&E Corporation SERP Plan	1,651	1,851	2,453	2,836	3,392	Supplemental Retirement Plan payments to former utility employees and PG&E Corporation employees where they supported the Utility.	
5	Utility Ret Excess-Utility EEs	105	50	67	68	81	Non-Executive Retirement Excess Plan	
4	Total Utility Non-Qualified Defined Contribution	489	742	922	1,053	1,160	Includes SRSP and DCSRSP plans.	
5	Total PG&E Corp Non-Qualified Defined Contribution	9	169	173	3,570	6,200	Includes SRSP and DCSRSP plans.	
6								
7	Total Recorded	4,331	4,732	5,421	5,885	6,448		
Adjustments								
8	Pacific Gas and Electric Company SERP Plan	(1,043)	(1,045)	(990)	(964)	(908)	Adjust to 50%	
9	PG&E Corporation SERP Plan	(826)	(926)	(1,226)	(1,418)	(1,696)	Adjust to 50%	
10	Utility Ret Excess-Utility EEs							
	Total Utility Non-Qualified Defined Contribution					16	Adjust to reflect actual payroll costs.	
11	Total PG&E Corp Non-Qualified Defined Contribution	(2)	(2)	0	(3,441)	(5,906)	Adjustments to remove earnings credited to accounts.	
12	Total Adjustments	(1,868)	(1,972)	(2,216)	(5,823)	(8,494)		
Recorded Adjusted								
13	Pacific Gas and Electric Company SERP Plan	1,043	1,045	990	964	908		
14	PG&E Corporation SERP Plan	826	926	1,226	1,418	1,696		
15	Utility Ret Excess-Utility EEs	105	50	67	68	81		
16	Total Utility Non-Qualified Defined Contribution	489	742	922	1,053	1,175		
17	Total PG&E Corp Non-Qualified Defined Contribution	9	167	173	130	295		
18	Total Recorded Adjusted	2,471	2,929	3,378	3,633	4,155		

**PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources**

**Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans**

**Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)**

Line	Description	Amount	Comments, Assumptions, Descriptions
1	2013 Recorded Adjusted	\$2,471	
2			
3	Pacific Gas and Electric Company SERP Plan	2	Increase in payments to plan participants.
4	PG&E Corporation SERP Plan	100	Increase in payments to plan participants.
5	Utility Ret Excess-Utility EEs	(55)	Decrease in payments to plan participants.
6	Total Utility Non-Qualified Defined Contribution	252	Increase in payments to plan participants, including wage escalation.
7	Total PG&E Corp Non-Qualified Defined Contribution	158	Increase in payments to plan participants, including wage escalation.
8			
9			
10	2014 Recorded Adjusted	\$2,929	
11			
12	Pacific Gas and Electric Company SERP Plan	(54)	Decrease in payments to plan participants.
13	PG&E Corporation SERP Plan	301	Increase in payments to plan participants.
14	Utility Ret Excess-Utility EEs	17	Increase in payments to plan participants.
15	Total Utility Non-Qualified Defined Contribution	180	Increase in payments to plan participants, including wage escalation.
16	Total PG&E Corp Non-Qualified Defined Contribution	6	Increase in payments to plan participants, including wage escalation.
17			
18			
19	2015 Recorded Adjusted	\$3,378	
20			
21	Pacific Gas and Electric Company SERP Plan	(26)	Decrease in payments to plan participants.
22	PG&E Corporation SERP Plan	192	Increase in payments to plan participants.
23	Utility Ret Excess-Utility EEs	1	Increase in payments to plan participants.
24	Total Utility Non-Qualified Defined Contribution	132	Increase in payments to plan participants, including wage escalation.
25	Total PG&E Corp Non-Qualified Defined Contribution	(43)	Decrease in payments to plan participants, offset partially by wage escalation.
26			
27			
28	2016 Recorded Adjusted	\$3,633	
29			
30	Pacific Gas and Electric Company SERP Plan	(56)	Decrease in payments to plan participants.
31	PG&E Corporation SERP Plan	278	Increase in payments to plan participants.
32	Utility Ret Excess-Utility EEs	12	Increase in payments to plan participants.
33	Total Utility Non-Qualified Defined Contribution	122	Increase in payments to plan participants, including wage escalation.
34	Total PG&E Corp Non-Qualified Defined Contribution	165	Increase in payments to plan participants, including wage escalation.
35			
36			
37	2017 Recorded Adjusted	\$4,155	
38			
39	Pacific Gas and Electric Company SERP Plan	-	Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
40	PG&E Corporation SERP Plan	-	Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
41	Utility Ret Excess-Utility EEs	-	Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
42	Total Utility Non-Qualified Defined Contribution	(131)	Decrease due to SB 901 adjustment, offset by wage escalation for remaining participants.
43	Total PG&E Corp Non-Qualified Defined Contribution	(288)	Decrease due to SB 901 adjustment, offset by wage escalation for remaining participants.
44			
45			

**PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources**

**Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans**

**Historical and Forecast Year over Year Walk
Nominal Dollars
(\$000s)**

Line	Description	Amount	Comments, Assumptions, Descriptions
46	2018 Forecast	\$3,736	
47			
48	Pacific Gas and Electric Company SERP Plan		- Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
49	PG&E Corporation SERP Plan		- Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
50	Utility Ret Excess-Utility EEs		- Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
51	Total Utility Non-Qualified Defined Contribution	34	Increase due to wage escalation
52	Total PG&E Corp Non-Qualified Defined Contribution	\$0	Increase due to wage escalation
53			
54			
55	2019 Forecast	\$3,770	
56			
57	Pacific Gas and Electric Company SERP Plan		- Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
58	PG&E Corporation SERP Plan		- Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
59	Utility Ret Excess-Utility EEs		- Assumes people who begin to receive payments under the plan will be offset by participants who stop receiving payments under the plan.
60	Total Utility Non-Qualified Defined Contribution	35	Increase due to wage escalation
61	Total PG&E Corp Non-Qualified Defined Contribution	\$0	Increase due to wage escalation
62			
63	2020 Forecast	\$3,806	

2020 GENERAL RATE CASE
Exhibit (PG&E-08) Human Resources

Workpapers Supporting
Chapter 4, Non-Qualified Retirement Plans

Company-Wide Expense: Non-Qualified Retirement Plans

Forecast Methodology/Assumptions:

SERP: The SERP forecast is equal to the 2017 recorded adjusted amount. Retirement plan payments under the SERP are a fixed amount, this forecast assumes that any payments to new retirees under the SERP plan will be offset by existing retirees dropping off the plan upon death. The cost for plan participants who worked in unregulated businesses are not included. No SB 901 executives are receiving benefits under the SERP plans. PG&E is requesting 50% of the SERP plan costs.

Non-Qualified Defined Contribution Plans: The actual PG&E Corporation or Pacific Gas and Electric Company contribution for each group of employees in 2017 was determined, less earnings credited to individual employees accounts. The 2017 actual contributions were then increased by the forecast labor escalation rate to determine the forecast. The PG&E Corporation forecast was further reduced based on a reduction in the expected number of non-SEC Rule 240.3b-7 employees who would be eligible to participate in the plan.

The 2017 costs for the SB 901 executives were separated and excluded from the forecast as shown.

Utility Ret Excess-Utility EEs (Pay-As-You-Go): The Ret Excess plan is forecast is equal to the 2017 recorded adjusted amount. Retirement plan payments under the Excess plan are a fixed amount, this forecast assumes that any payments to new retirees under the SERP plan will be offset by existing retirees dropping off the plan upon death. No SB 901 executives are currently receiving benefits under the Retirement Excess Plan.

Methodology to Calculated Weighted Labor Escalation

1. Each utility employee as of December 31, 2017 was categorized based on their organization: A&G or Operating
2. Each utility employee as of December 31, 2017 was also categorized as either represented (bargaining unit) or non-bargaining unit
3. Based on work locations, employees with locations in the following counties were assigned a San Francisco Bay Area designation. All others were assigned a non-San Francisco Bay Area designation.

Alameda
Contra Costa
Marin
Monterey
Napa
Sacramento
San Francisco
San Mateo
Santa Clara
Santa Cruz
Solano
Sonoma

4. The percentage increase based on the table below was applied to the end of year 2017 annual salary and the new salary calculated for each person.

Group	Escalation Rate		Basis
	2018	2019 - 2022	
IBEW and SEIU Represented Employees*	3.25%	3.25%	Negotiated Labor Agreements
ESC Represented Employees*	3.50%	3.25%	Negotiated Labor Agreements
Non-Represented Admin and Technical	3.20%	3.20%	Market Data
Management Bay Area	3.30%	3.30%	Market Data
Management Non-Bay Area	3.20%	3.20%	Market Data

Labor Agreements: The rates shown above are based on the Labor Agreements in place as of April 2018. PG&E assumed that wage increases in future years (2020 - 2022) would be equal to those in the final year of the agreement (2019). Subsequently, PG&E reached agreement with the IBEW and ESC to a 3.00% wage increase in 2020 and 2021. PG&E proposes to update the forecast labor escalation rate and resulting reduction in the labor forecast in an update filing.

Methodology to Calculated Weighted Labor Escalation

Market Data: The most recent annual World at Work Survey for average wage increases was used to determine the forecast wage increase for non-represented employees. The report is included within the workpapers.

5. The weighted average increase for employee groups was calculated based on the following formula.

$$\text{Weighted Average} = \frac{(\text{Total New Salary} - \text{Total 2017 Annual Salary})}{\text{Total 2017 Annual Salary}}$$

6. Resulting Weighted Labor Escalation Rates:

Group	Escalation Rate	
	2018	2019 - 2022
A&G	3.28%	3.28%
Operating	3.30%	3.26%
Total All Employees	3.30%	3.26%



2017-18United States WorldatWork Salary Budget Survey

Industry: All Industries; Number of Employees: All Sizes; Revenue: All Sizes

Mean/Average Values

NHN - Nonexempt Hourly Nonunion, NS - Nonexempt Salaried

ES - Exempt Salaried, OE - Officers & Executives

" - (-) " entries, if any, indicate that there were no responses for the given criteria
" * (*) " entries, if any, indicate that there were fewer than 5 responses for the given criteria

Salary Budget Increases		2017 Actual Increases						2018 Projected Increases				
		General Increases/COLA % (n)	Merit Increases % (n)	Other Increases % (n)	Total Increases % (n)	Months Between Increases #m (n)	% of EE Receiving Increases % (n)	General Increases/COLA % (n)	Merit Increases % (n)	Other Increases % (n)	Total Increases % (n)	Months Between Increases #m (n)
National	NHN	1.6 (295)	2.7 (1340)	0.9 (408)	3.0 (1498)	12.5 (1471)	88.5 (1331)	1.7 (238)	2.8 (1225)	0.9 (390)	3.1 (1363)	12.2 (1462)
	NS	1.5 (117)	2.8 (664)	0.9 (188)	3.0 (730)	12.4 (719)	90.4 (646)	1.6 (93)	2.9 (614)	0.9 (170)	3.1 (667)	12.2 (714)
	ES	1.3 (294)	2.8 (1671)	0.8 (510)	3.0 (1804)	12.5 (1769)	89.5 (1620)	1.6 (229)	2.9 (1534)	0.9 (478)	3.2 (1647)	12.2 (1758)
	OE	1.4 (255)	2.8 (1479)	0.9 (430)	3.0 (1603)	12.8 (1638)	88.4 (1396)	1.5 (203)	2.9 (1372)	0.9 (403)	3.2 (1479)	12.5 (1629)
	All	1.4 (961)	2.8 (5154)	0.9 (1536)	3.0 (5635)	12.6 (5597)	89.0 (4993)	1.6 (763)	2.9 (4745)	0.9 (1441)	3.1 (5156)	12.3 (5563)
Western U.S.	NHN	1.4 (131)	2.8 (782)	0.9 (260)	3.1 (838)	12.4 (821)	87.7 (738)	1.5 (101)	2.9 (715)	0.9 (241)	3.2 (765)	12.1 (819)
	NS	1.2 (50)	2.8 (354)	0.7 (119)	3.0 (374)	12.4 (365)	89.3 (330)	1.3 (39)	2.9 (323)	0.7 (108)	3.1 (340)	12.0 (365)
	ES	1.1 (132)	2.8 (948)	0.8 (321)	3.1 (990)	12.5 (968)	88.7 (881)	1.3 (100)	2.9 (864)	0.9 (297)	3.2 (903)	12.1 (965)
	OE	1.1 (113)	2.8 (837)	0.8 (267)	3.1 (876)	12.8 (889)	86.9 (751)	1.2 (88)	2.9 (776)	0.9 (250)	3.2 (810)	12.4 (889)
	All	1.2 (426)	2.8 (2921)	0.8 (967)	3.1 (3078)	12.6 (3043)	88.0 (2700)	1.3 (328)	2.9 (2678)	0.9 (896)	3.2 (2818)	12.2 (3038)
California	NHN	1.1 (80)	2.8 (503)	0.9 (172)	3.1 (531)	12.3 (524)	87.0 (474)	1.4 (59)	2.9 (466)	0.9 (157)	3.2 (491)	12.0 (522)
	NS	1.1 (32)	2.8 (221)	0.7 (81)	3.1 (234)	12.3 (231)	88.7 (208)	1.3 (23)	2.9 (206)	0.7 (71)	3.2 (216)	12.0 (230)
	ES	0.9 (81)	2.8 (597)	0.8 (209)	3.1 (618)	12.4 (608)	88.2 (559)	1.2 (59)	2.9 (550)	0.8 (189)	3.2 (569)	12.1 (604)
	OE	1.0 (73)	2.8 (536)	0.6 (176)	3.0 (555)	12.7 (566)	86.4 (483)	1.1 (54)	2.9 (502)	0.7 (161)	3.2 (519)	12.4 (566)
	All	1.0 (266)	2.8 (1857)	0.8 (638)	3.1 (1938)	12.5 (1929)	87.4 (1724)	1.3 (195)	2.9 (1724)	0.8 (578)	3.2 (1795)	12.1 (1922)

(PG&E-8)

Salary Budget Increases		2017 Actual Increases						2018 Projected Increases				
		General Increases/COLA % (n)	Merit Increases % (n)	Other Increases % (n)	Total Increases % (n)	Months Between Increases #m (n)	% of EE Receiving Increases % (n)	General Increases/COLA % (n)	Merit Increases % (n)	Other Increases % (n)	Total Increases % (n)	Months Between Increases #m (n)
San Francisco (metro)	NHN	1.0 (24)	2.9 (144)	0.7 (59)	3.2 (149)	12.0 (149)	87.7 (134)	1.0 (18)	2.9 (129)	0.8 (57)	3.2 (135)	12.1 (149)
	NS	0.9 (9)	2.9 (63)	0.7 (27)	3.2 (65)	12.0 (64)	88.2 (55)	1.3 (6)	2.9 (58)	0.7 (26)	3.3 (60)	11.8 (64)
	ES	0.9 (23)	2.9 (172)	0.7 (76)	3.3 (176)	12.1 (174)	88.3 (160)	1.1 (16)	2.9 (155)	0.8 (72)	3.3 (161)	12.1 (174)
	OE	0.8 (21)	2.9 (152)	0.7 (68)	3.2 (157)	12.1 (160)	87.7 (141)	1.0 (14)	3.0 (140)	0.7 (64)	3.3 (146)	12.3 (160)
	All	0.9 (77)	2.9 (531)	0.7 (230)	3.2 (547)	12.1 (547)	87.9 (490)	1.1 (54)	3.0 (482)	0.8 (219)	3.3 (502)	12.1 (547)

Salary Structure Adjustments		2017 Actual Adjustments			2018 Projected Adjustments		
		%		n	%		n
National	NHN	2.0		980	2.1		894
	NS	2.0		513	2.1		466
	ES	2.0		1237	2.1		1123
	OE	2.1		952	2.1		879
	All	2.0		3682	2.1		3362
Western U.S.	NHN	2.1		530	2.1		481
	NS	2.0		260	2.1		237
	ES	2.0		659	2.1		593
	OE	2.0		496	2.1		456
	All	2.0		1945	2.1		1767
California	NHN	2.1		331	2.1		300
	NS	2.1		168	2.1		153
	ES	2.1		411	2.1		367
	OE	2.1		316	2.1		287
	All	2.1		1226	2.1		1107
San Francisco (metro)	NHN	2.2		87	2.1		84
	NS	2.0		45	2.2		42
	ES	2.1		109	2.1		104
	OE	2.2		82	2.2		80
	All	2.2		323	2.1		310

Promotional Increases	2016 Percentage of Employees Receiving Promotional Increases		2016 Percentage of Promoted Employee's Base Salary		2017 Planned Spending on Promotions (as a percent of total base salaries)	
	%	n	%	n	%	n
National	7.9	1188	8.4	1191	1.6	1124
Western U.S.	8.3	641	8.7	647	1.5	615
California	8.0	412	8.8	413	1.4	394
San Francisco (metro)	8.2	129	8.7	128	1.2	124

Variable Pay		2016			2017			2018 Projected			2016			2017 Projected		
		Percent Budgeted		n	Percent Budgeted		n	Percent Budgeted		n	Percent Paid		n	Percent Paid		n
National	NHN	5.6		437	5.5		432	5.5		403	5.3		550	5.5		508
	NS	6.3		253	6.4		248	6.3		237	6.2		296	6.4		274
	ES	13.3		797	13.4		788	13.4		734	12.8		971	13.1		885
	OE	39.0		773	39.1		769	39.0		718	39.0		925	39.6		852
	All	19.8		2260	19.9		2237	19.9		2092	19.4		2742	19.8		2519
Western U.S.	NHN	5.8		257	5.6		253	5.6		234	5.5		333	5.6		304
	NS	6.1		142	6.2		137	6.1		130	6.1		167	6.1		151
	ES	13.9		466	14.0		459	14.0		423	13.6		575	13.8		514
	OE	41.4		441	41.4		437	41.0		402	41.6		537	41.9		482
	All	20.7		1306	20.8		1286	20.6		1189	20.5		1612	20.6		1451
California	NHN	5.4		160	5.3		157	5.4		145	5.1		215	5.2		196
	NS	6.2		84	6.3		82	6.3		80	6.0		104	6.3		93
	ES	14.7		304	14.7		300	14.6		276	14.0		380	14.1		336
	OE	44.4		285	44.0		284	43.0		260	42.8		355	42.6		315
	All	22.2		833	22.2		823	21.7		761	21.1		1054	21.0		940
San Francisco (metro)	NHN	5.5		48	5.1		46	5.0		41	5.7		67	5.3		59
	NS	5.5		23	5.3		22	5.0		21	5.5		28	5.2		26
	ES	15.0		95	15.0		90	14.5		83	15.0		120	15.0		103
	OE	47.3		85	46.1		84	44.5		75	46.8		108	43.8		93
	All	23.3		251	23.0		242	22.1		220	22.9		323	21.6		281

**REWARD & RECOGNITION PROGRAM
2015 - 2017 Paid and 2020 Forecast**

Reward & Recognition	Description/Notes
\$12,029,837	2015 Reward and Recognition Payments
\$11,755,290	2016 Reward and Recognition Payments
\$14,232,309	2017 Reward and Recognition Payments
\$12,672,478	Average R&R Payments per Year

1.101449 Three Year Escalation Rate (based off Total Company
forecast labor escalation)

\$13,958,094 Forecast 2020 R&R Payments

Trends in Employee Recognition

A Report by WorldatWork,
Underwritten by ITA Group
May 2017

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Contact:

WorldatWork Customer Relations

14040 N. Northsight Blvd.

Scottsdale, Arizona USA

85260-3601

Toll free: 877-951-9191

Fax 480-483-8352

CustomerRelations@worldatwork.org

Introduction & Methodology

This report summarizes the results of a February 2017 survey of WorldatWork members to gather information about trends in recognition programs. This survey is designed to measure specific types of recognition programs and the impact on the workforce. For the purposes of this survey, “recognition” is defined as: “a spontaneous gesture of thanks or a structured or planned program of recognition implemented to acknowledge employees and achieve desired performance.”

On Feb. 15, 2017, survey invitations were sent electronically to 5,083 WorldatWork members. Members selected for participation were participants from the WorldatWork 2015 “Trends in Employee Recognition” survey and randomly selected members. The survey was open to members in the United States, Canada and foreign countries meeting specific criteria. The survey closed on March 10, 2017, with 363 responses, a 7% response rate. The dataset was cleaned, resulting in a final dataset of 341 responses.

In order to provide the most accurate data possible, data was cleaned and analyzed using statistical software. Any duplicate records were removed. Data comparisons with any relevant, statistically significant differences are noted within this report.

The demographics of the survey sample and the respondents are similar to the WorldatWork membership as a whole. The typical WorldatWork member works at the managerial level or higher in the headquarters of a large company in North America.

The frequencies or response distributions listed in the report show the number of times or percentage of times a value appears in a dataset. Due to rounding, frequencies of data responses provided in this survey may not total exactly 100%.

WorldatWork conducted similar employee recognition program surveys in 2015, 2013, 2011, 2008, 2005, 2003, 2002 and 2001. These reports can be viewed on the WorldatWork [website](#). Where possible, historical comparisons from data gathered in the previous survey are shown.

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Demographics

Figure 1: “Your organization is:” (n=295)

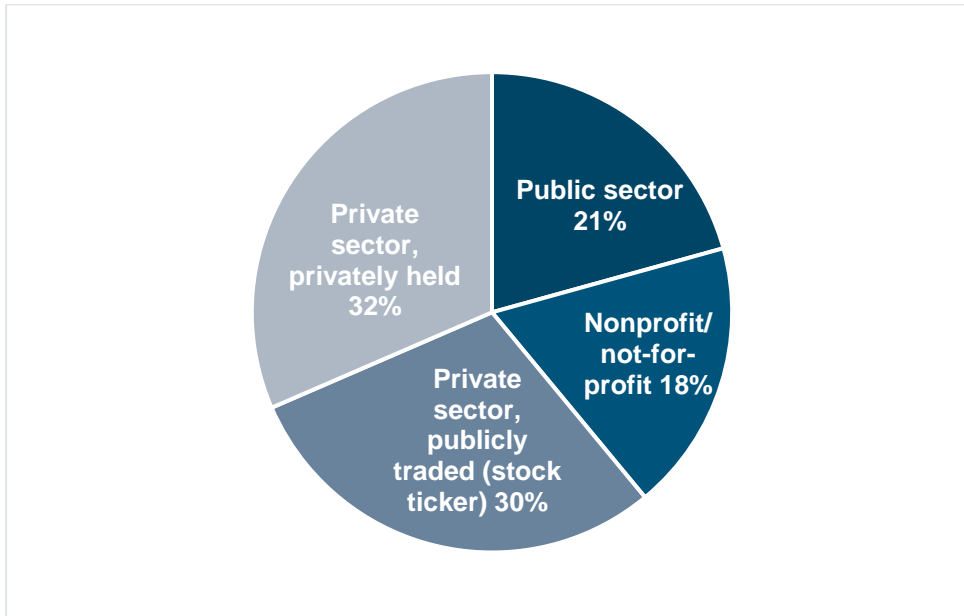


Figure 2: “Please choose the total number of full-time employees (FTEs) your organization employs worldwide:” (n=295)

Option	Percentage
Fewer than 100 employees	5%
100 to 499	13%
500 to 999	10%
1,000 to 2,499	15%
2,500 to 4,999	14%
5,000 to 9,999	17%
10,000 to 19,999	12%
20,000 to 39,999	6%
40,000 to 99,999	6%
100,000 or more employees	2%

Figure 3: “Please choose one category that best describes the industry in which your organization operates:” (n=295)
Industries with less than 2% are not listed in this table.

Option	Percentage
Finance and Insurance	16%
Health Care and Social Assistance	13%
All Other Manufacturing	11%
Consulting, Professional, Scientific and Technical Services	9%
Information (includes Publishing, IT, etc.)	9%
Educational Services	4%
Chemical Manufacturing (includes Pharmaceuticals)	3%
Computer and Electronic Manufacturing	3%
Public Administration	3%
Transportation and Warehousing	3%
Utilities	3%
Construction	2%
Mining, Quarrying and Oil and Gas	2%
Retail Trade	2%
Other	11%

Figure 4: “What is your organization’s annual voluntary turnover for employees?” (n=228)

Definition: Voluntary turnover consists of voluntary separations by employees (often referred to as quits) and does not include mandated retirements, layoffs, discharges, termination (permanent or short-term employees or seasonal employees), transfers to other location, deaths or separations because of disability.

Formula: Divide the total number of voluntary separations during the year by the total number of employees at the beginning of the year.

	Percentage
Mean	11.4
25 th Percentile	6.0
50 th Percentile/Median	10.0
75 th Percentile	15.0
Minimum	0.0
Maximum	50.0

Figure 4a: “Regrettable turnover, also known as undesirable turnover, includes voluntary separations by top performers, high-performers and separations from key positions for which a successor has not been previously identified. Does your organization track regrettable/undesirable turnover?” (n=250)

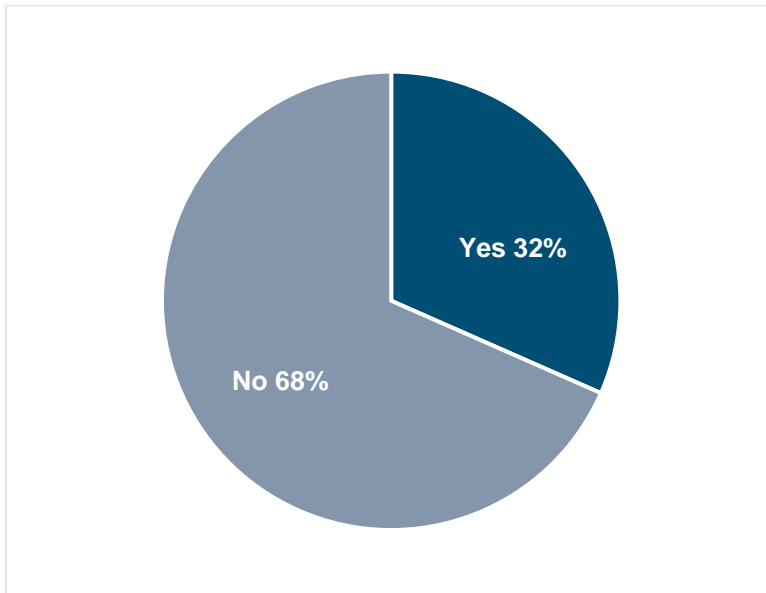


Figure 4b: “What is your organization’s annual regrettable/undesirable turnover for employees?” (n=73)

Formula: Divide the total number of regrettable/undesirable separations during the year by the total number of employees at the beginning of the year.

	Percentage
Mean	4.7
25 th Percentile	1.0
50 th Percentile/Median	3.0
75 th Percentile	7.0
Minimum	0.0
Maximum	20.0

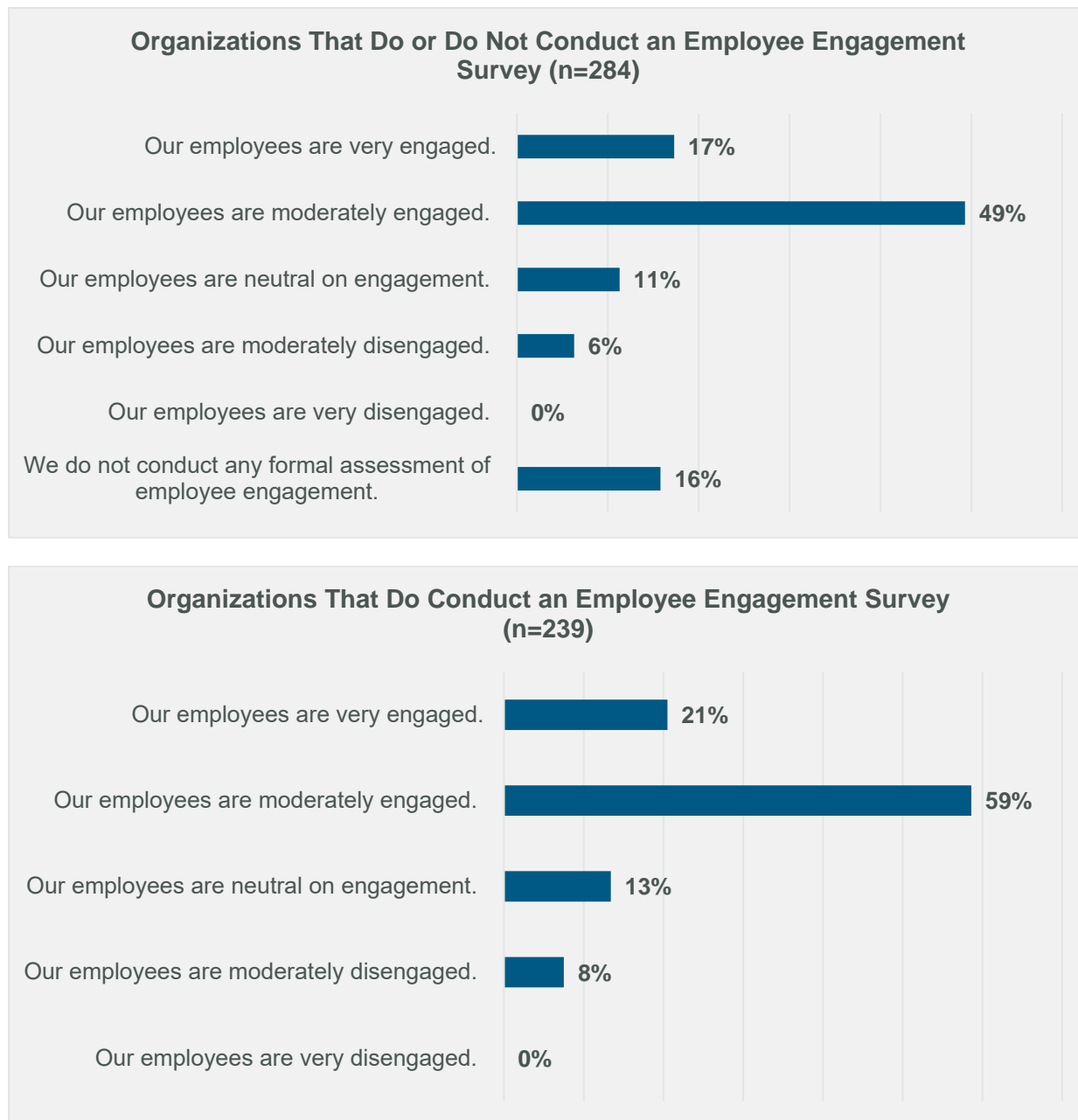
Figure 5: “Please provide your annual labor cost as a percentage of total revenue.” (n=82)

Definition: Labor costs include salaries and wages (for employees and contractors), employee benefits, employment-related insurances and taxes.

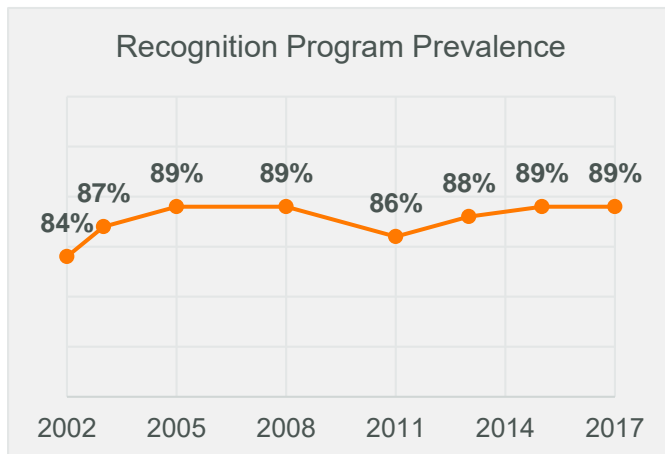
Formula: Divide the total annual labor cost by the total annual revenue.

	Percentage
Mean	32.0
25 th Percentile	15.0
50 th Percentile/Median	28.0
75 th Percentile	47.9
Minimum	0.0
Maximum	84.0

Figure 6: “Based on your internal employee-engagement survey, select the answer that best aligns with your overall survey results.”



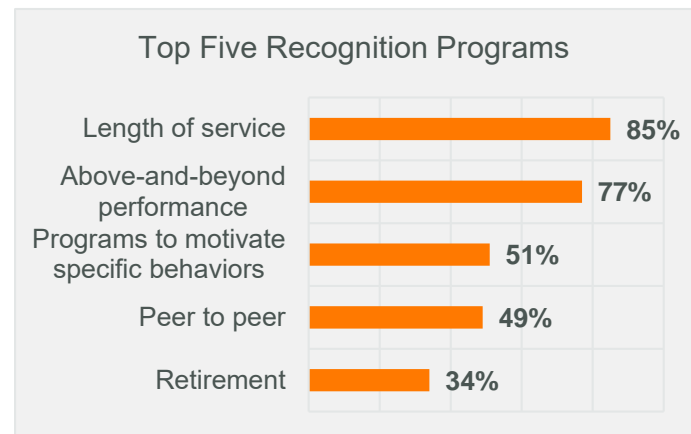
Executive Summary



89% of organizations remain bonded to their recognition programs, with 65% of organizations offering between three and six different programs. (See Figures 7 and 7b.) 4.5 is the average number of recognition programs in place. Companywide recognition programs are widespread, offered by 81% of organizations. (See Figure 11.) In addition, individual and department/team-specific programs are also commonplace, at 69% and 67% respectively. The top five recognition programs have ranked the same since 2013: length of service (85%), above-and-beyond performance (77%), programs to motivate behaviors associated with the business

initiatives (e.g., customer service, collaboration) (51%), peer-to-peer recognition (49%) and retirement (34%). (See Figures 13 and 13a.)

55% of organizations have a written strategy in place to guide their recognition programs (Figure 17), and 95% say that strategy aligns with their larger organizational strategy (Figure 18). The main objectives of recognition programs continue to be: recognizing years of service (79%), creating/maintaining a positive work environment (77%) and creating/maintaining a culture of recognition (76%) (see Figure 19), and 78% of organizations feel their recognition programs are meeting these objectives. (See Figure 20.) To measure recognition programs, 57% of organizations use employee satisfaction surveys and 52% rely on usage rates and/or participation rates. (See Figure 21.)



72% of organizations have a budget for their recognition programs (see Figure 24), and these budgets are typically a mixture of centralized for the entire organization and held in each department. (See Figure 26). Of the payroll budget used for recognition programs, 51% allocate between 0.1% to 0.3% for activities, followed by 18% allotting 0.4% to 0.6%. (See Figure 25.)

Most often recognition awards are presented one on one with a manager. (See Figure 27.) However, the use of email and organization intranet sites are widely used to communicate program activities. (See Figure 28.) Certificates and/or plaques remain the most awarded recognition item, and has increased three percentage points to 80% since 2011. (See Figure 29.) Cash awards and gift certificates for product purchases are also widely presented.

There remains a large percentage of organizations without formal training for managers on recognition programs. (See Figure 31.) However, for the 87% of organizations with formal trainings, 69% are offered in-person and 51% are provided online. (See Figure 32.)

31% of organizations believe their company culture is strategic and 11% indicate recognition is deeply embedded in their culture. (See Figure 31a.) Strategic culture is viewed as an essential element in achieving organizational success, while deeply embedded recognition is universal and promotes a regular usage of programs and practices.

More than half of organizational senior management members view employee recognition programs as an investment, and only 11% view these programs as an expense. (See Figure 34.) A slight shift is occurring in the organizations that feature their recognition programs as a key employee benefit to attract new employees with a four percentage point increase to 16%, and 42% of organizations sometimes, but not always, marketing this benefit. (See Figure 35.)

Results and Analysis

Recognition Programs

Figure 7: “Does your organization have recognition programs in place?”

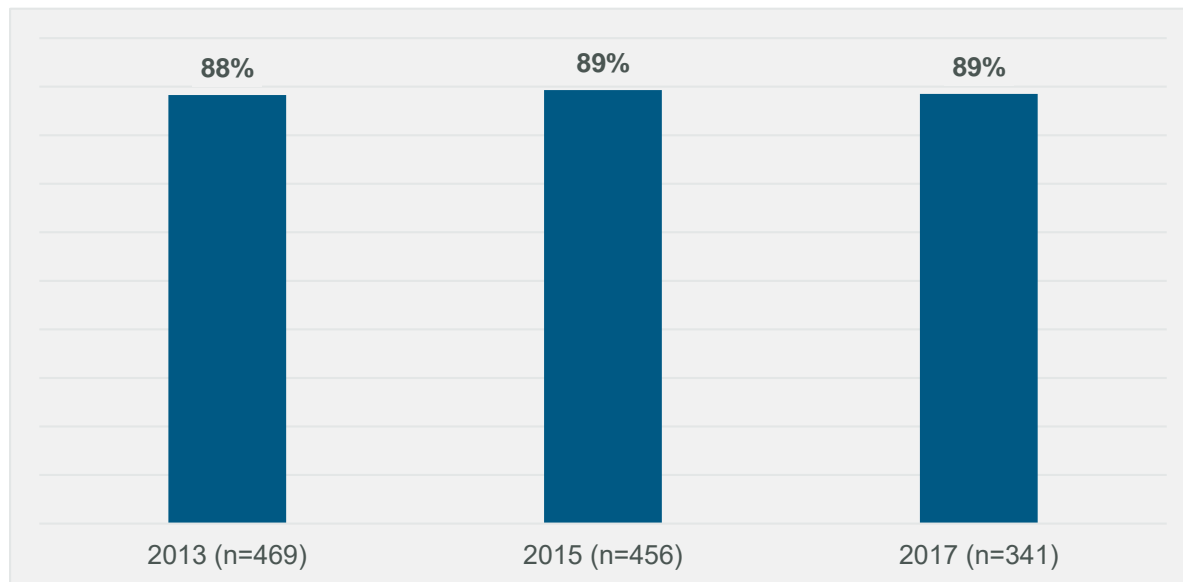
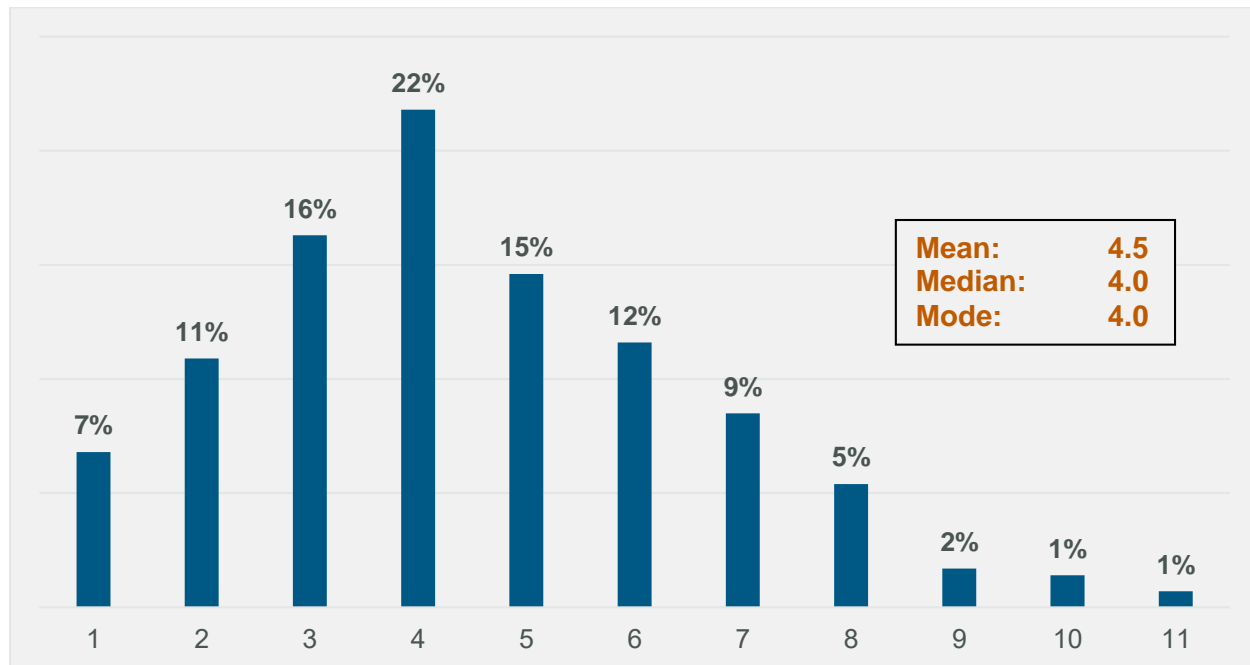


Figure 7a: “If your organization does not offer recognition programs, please share the reasons why you do not. (Select all that apply.)”

Only participants answering “No” in Figure 7 received this question.

	2015	2017
n=	49	39
Too challenging to administer	25%	15%
Too costly	22%	26%
Company is not large enough	20%	21%
Do not know where to start	18%	15%
No support from senior management	18%	28%
Not interested or find no value	4%	0%
Not applicable to my business	2%	0%
Other, including, but not limited to: Programs in the process of being developed and/or implemented	27%	36%

Figure 7b: Number of recognition programs offered (n=294)**Figure 8: “Is there more or less recognition occurring (either formally or informally) in your organization today versus 12 months ago?”**

Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	599	561	535	400	406	299
About the same as 12 months ago	52%	58%	62%	66%	58%	62%
Less than 12 months ago	8%	7%	7%	6%	6%	4%
More than 12 months ago	40%	35%	31%	28%	37%	34%

Figure 9: “Have you eliminated any recognition programs in the past 12 months?”
Only participants answering “Yes” in Figure 7 received this question.

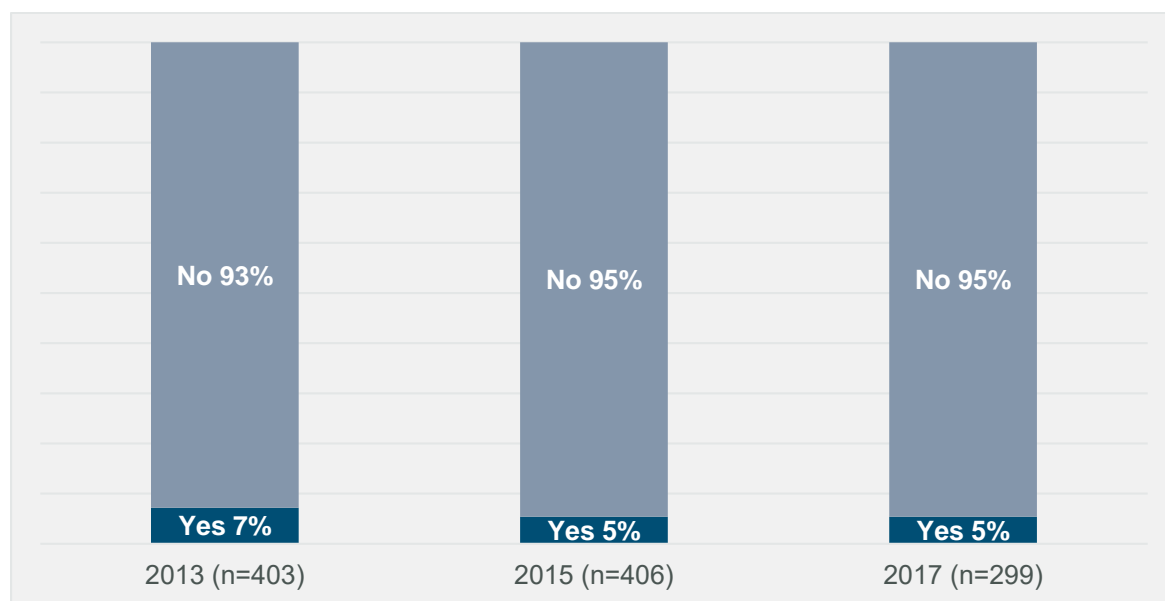
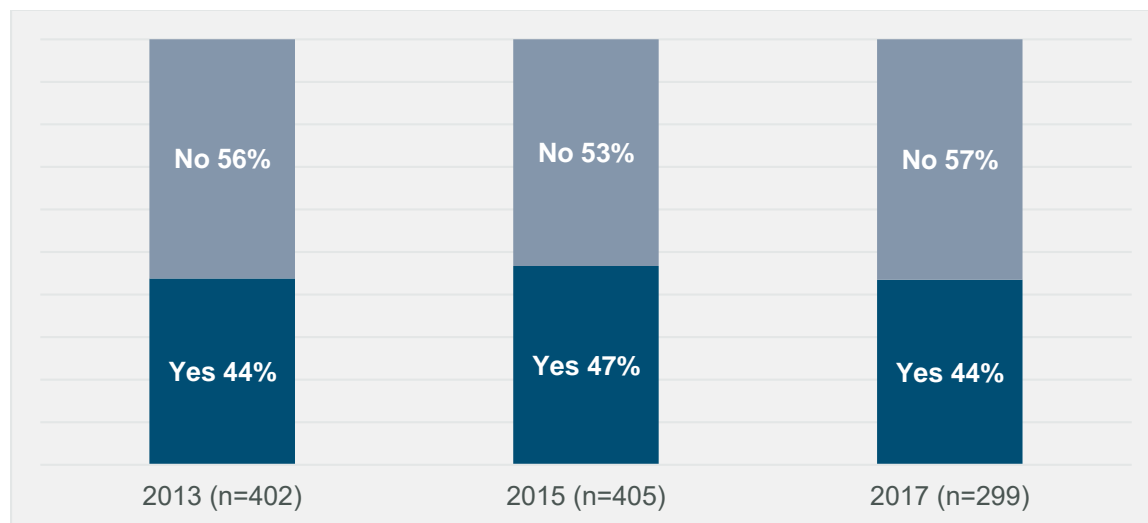


Figure 10: “Are you considering implementing any new or additional recognition programs in the next 12 months?”
Only participants answering “Yes” in Figure 7 received this question.



Types of Programs Offered

Figure 11: “What types of recognition programs are in place in your company? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	537	501	529	398	405	296
Companywide	90%	91%	88%	90%	80%	81%
Individual	n/a	n/a	n/a	n/a	67%	69%
Department/division/unit/region/team-specific	59%	54%	66%	61%	65%	67%
Other ¹	3%	4%	8%	10%	3%	2%

Figure 12: “What style(s) of recognition programs are in place at your company?”
Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	535	505	530	399	404	297
Formal — a structured or planned recognition program (e.g., attendance, performance, safety, years of service, etc.)	19%	21%	23%	24%	19%	18%
Informal — a spontaneous gesture of appreciation	9%	9%	6%	7%	7%	5%
Both	71%	69%	72%	69%	75%	76%
Other	1%	0%	n/a	n/a	n/a	n/a

Figure 13: “Which of the following recognition programs does your organization offer? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	2008	2011	2013	2015	2017
n=	552	549	414	407	302
Length of service	86%	90%	84%	87%	85%
Above-and-beyond performance	79%	79%	75%	76%	77%
Programs to motivate specific behaviors	25%	34%	41%	51%	51%
Peer to peer	42%	43%	42%	48%	49%
Retirement	41%	42%	34%	34%	34%
Programs that improve biometric indices through wellness initiatives	n/a	n/a	n/a	32%	33%
Sales performance	38%	40%	25%	31%	25%
Suggestions/ideas	24%	27%	20%	27%	22%
Safety performance	25%	22%	19%	20%	20%

¹ The change in question format in 2008 to allow respondents to select all options that apply could account, at least in part, for the increase in “other” responses in 2008 and 2011.

Employee of the year, month, etc.	32%	29%	24%	22%	19%
Major family event (e.g., birth, wedding, etc.)	19%	25%	18%	20%	18%
Attendance	16%	12%	9%	11%	7%
Other	n/a	27%	14%	8%	5%

Figure 13a: Top five recognition programs

Rank	2005	2008	2011	2013	2015	2017
1.	Length of service	Length of service	Length of service	Length of service	Length of service	Length of service
2.	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance
3.	Retirement	Peer to peer	Peer to peer	Peer to peer	Programs to motivate specific behaviors	Programs to motivate specific behaviors
4.	Sales performance	Retirement	Retirement	Programs to motivate specific behaviors	Peer to peer	Peer to peer
5.	Suggestions/ideas	Sales performance	Sales performance	Retirement	Retirement	Retirement

Figure 14: “Please indicate how long each program has been in place in your organization and the percentage of employees recognized in the past 12 months.”
Only participants answering “Yes” in Figure 7 received this question.

Program	Prevalence	Length of Time in Place			Average Percentage of Employees Recognized (Past 12 Months)
		Less Than 12 Months	1 to 5 Years	More Than 5 Years	
Length of service	85%	2%	10%	89%	17%
Above-and-beyond performance	77%	5%	32%	64%	21%
Programs to motivate specific behaviors	51%	12%	40%	48%	25%
Peer to peer	49%	17%	45%	38%	28%
Retirement	34%	2%	7%	91%	11%
Programs that improve biometric indices through wellness initiatives	33%	8%	67%	26%	41%
Sales performance	25%	6%	22%	73%	23%
Suggestions/ideas	22%	15%	41%	44%	10%
Safety performance	20%	7%	27%	66%	18%
Employee of the year, month, etc.	19%	11%	29%	60%	3%
Major family event (e.g., birth, wedding, etc.)	18%	2%	30%	68%	14%
Attendance	7%	6%	11%	83%	32%
Other	5%	9%	36%	55%	21%

Figure 15: “Does your organization have employees outside of North America?”
Only participants answering “Yes” in Figure 7 received this question.

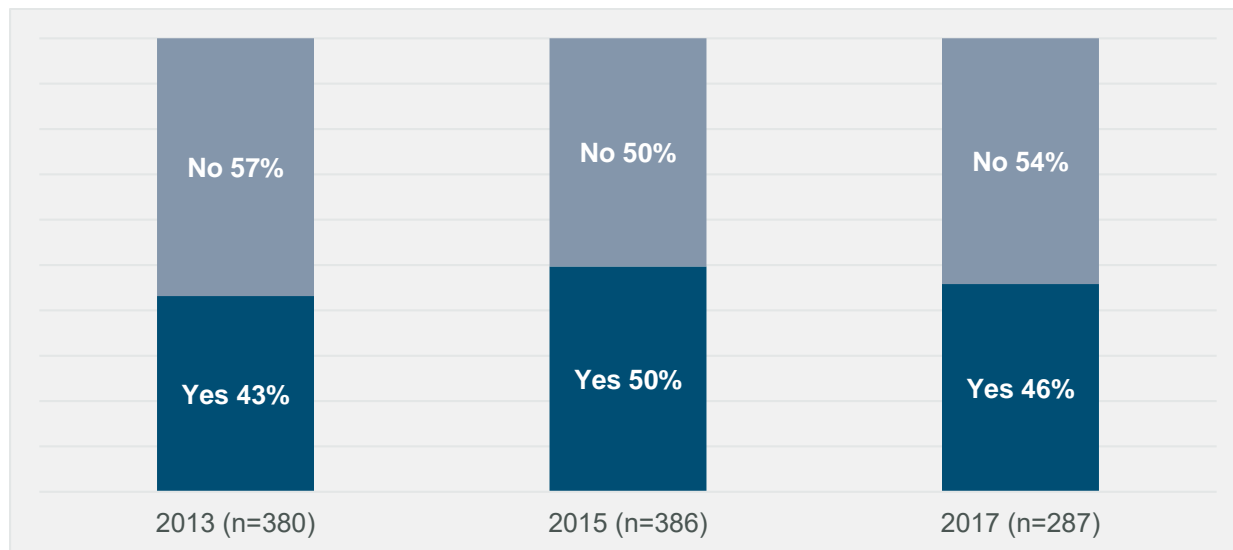


Figure 16: “Which of the following best describes the recognition programs for these employees?”
Only participants answering “Yes” in Figure 15 received this question.

	2013	2015	2017
n=	159	188	131
Global employees participate in all or most of the same recognition programs as North American employees	46%	39%	47%
Global employees participate in some of their own programs and some of the same programs as North American employees	21%	24%	26%
Global employees have their own recognition programs	19%	25%	18%
Global employees participate in a few of the same recognition programs as North American employees	8%	7%	6%
Global employees do not participate in any recognition programs	6%	5%	3%

Program Strategy and Measures

Figure 17: “Is there a written strategy behind your organization’s recognition programs (e.g., why they were created, goals)?”
Only participants answering “Yes” in Figure 7 received this question.

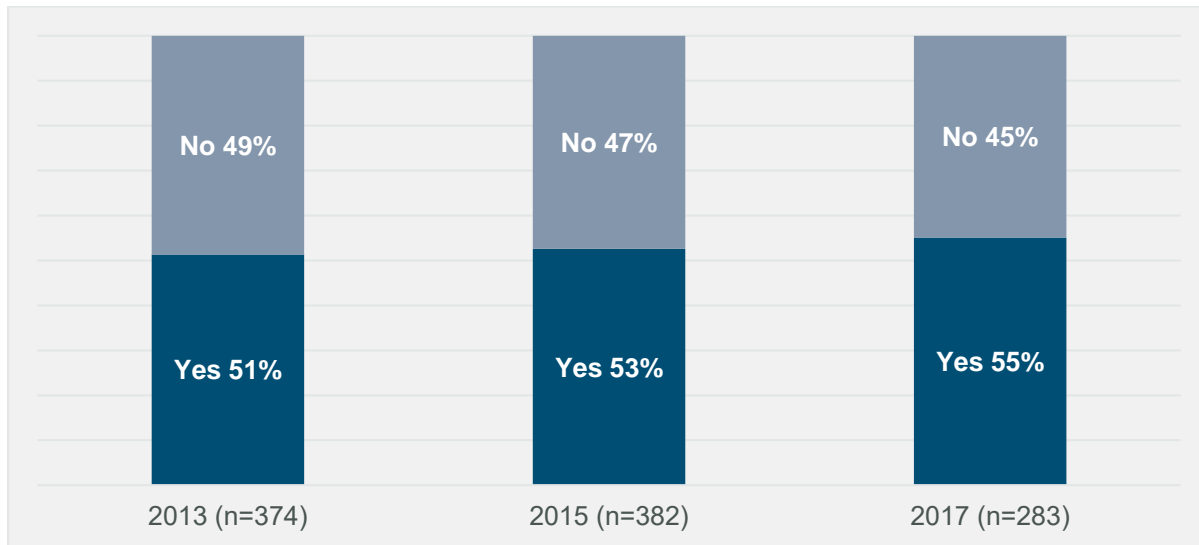


Figure 18: “Does your recognition strategy align with your organization’s strategy?”
Only participants answering “Yes” in Figure 17 received this question.

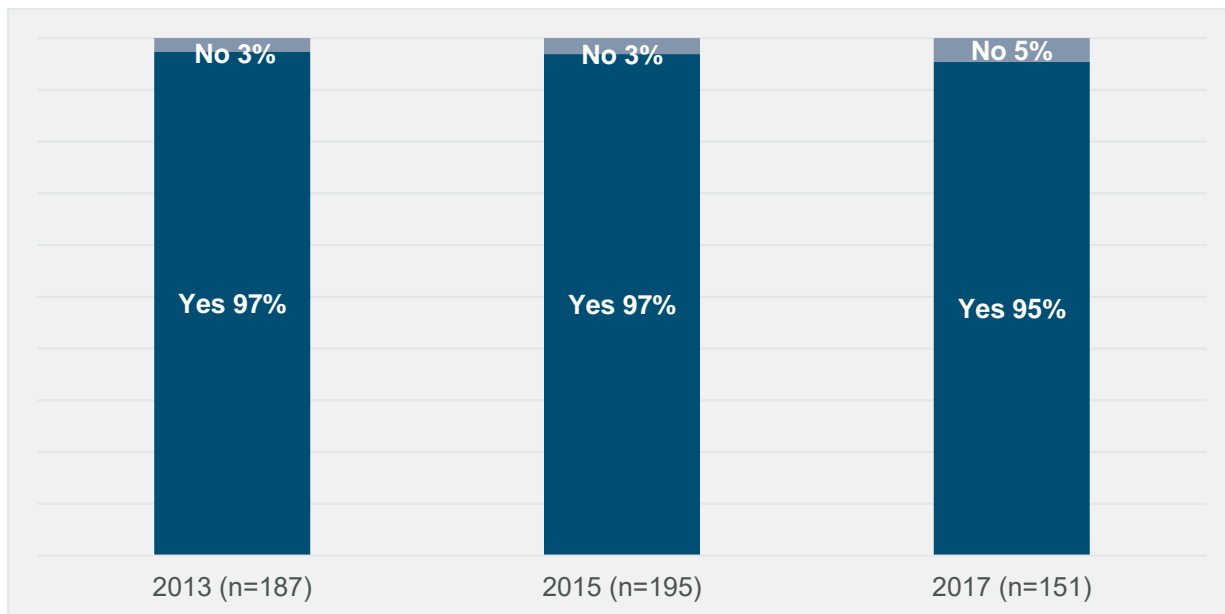


Figure 19: “What are the objectives/goals of your organization’s recognition programs? (Select all that apply.)”

Only participants answering “Yes” in Figure 7 received this question.

	2013	2015	2017
n=	374	376	282
Recognize years of service	77%	79%	79%
Create/maintain a positive work environment	74%	77%	77%
Create/maintain a culture of recognition	73%	75%	76%
Motivate high performance	72%	72%	71%
Reinforce desired behaviors	66%	65%	69%
Support organizational mission/values	56%	60%	64%
Increase morale	60%	62%	59%
Support becoming/remaining an employer of choice	37%	40%	44%
Increase retention or decrease turnover	41%	51%	42%
Encourage loyalty	43%	41%	38%
Support a culture of change	18%	24%	25%
Provide line of sight to company goals	24%	27%	24%
Encourage safe practices	n/a	22%	23%
Other	5%	2%	1%

Figure 20: “Do you feel your programs are meeting the objectives/goals?”

Only participants answering “Yes” in Figure 7 received this question.

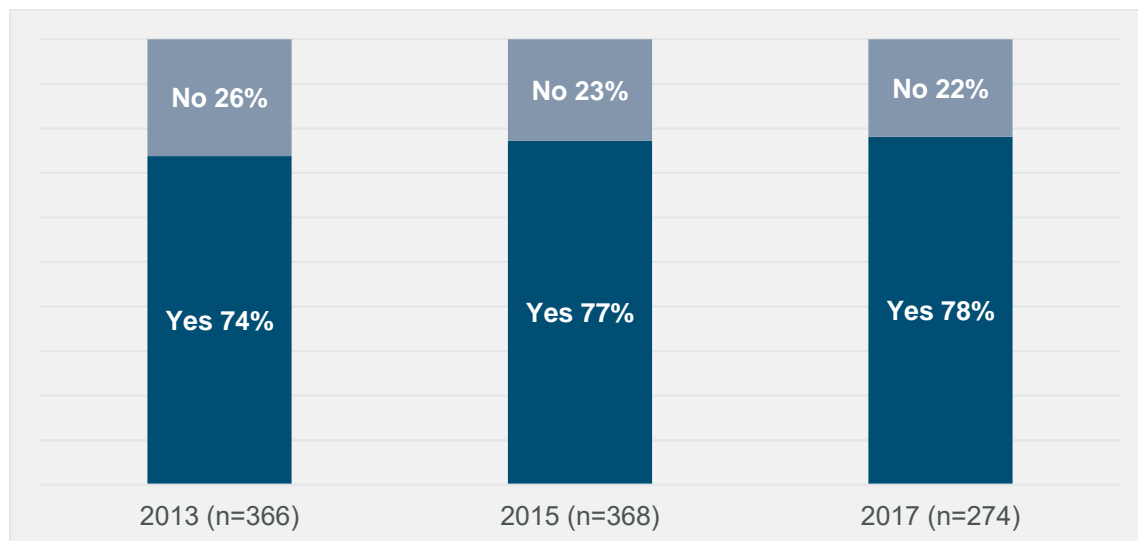


Figure 21: “What types of measurements for success do you use in your recognition programs? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	2013	2015	2017
n=	303	335	246
Employee satisfaction surveys	57%	62%	57%
Usage rates and/or participation rates	53%	51%	52%
Number of nominations	42%	45%	43%
Turnover	30%	25%	25%
Productivity	21%	19%	16%
Customer surveys	18%	17%	15%
Return on investment (ROI)	10%	14%	5%

Program Administration and Communication

Figure 22: “Which department is responsible for administering the majority of your organization’s recognition programs?”
Only participants answering “Yes” in Figure 7 received this question.

	2013	2015	2017
n=	370	375	281
Human resources	55%	54%	59%
Compensation	22%	22%	22%
Each department is responsible for its own program administration	6%	7%	8%
Benefits	5%	7%	4%
Organizational development	2%	1%	2%
Corporate communications	2%	1%	1%
Work-life	n/a	1%	1%
Training	0%	0%	0%
Finance	n/a	0%	0%
Other, including, but not limited to: Combination of HR and individual departments	8%	7%	4%

Figure 23: “Which position is responsible for administering the recognition program(s)?”
Only participants answering “Yes” in Figure 7 received this question.

	2013	2015	2017
n=	365	372	278
No one position is responsible for the program; it is a shared responsibility among the department personnel	57%	53%	59%
Full-time dedicated position(s) • Most participants designated two full-time positions	20%	18%	21%
Part-time dedicated position • The majority indicated an average of 15% this position's week is spent working on recognition programs	16%	22%	17%
Other	7%	7%	4%

Figure 24: “Is there a budget for your recognition programs?”
Only participants answering “Yes” in Figure 7 received this question.

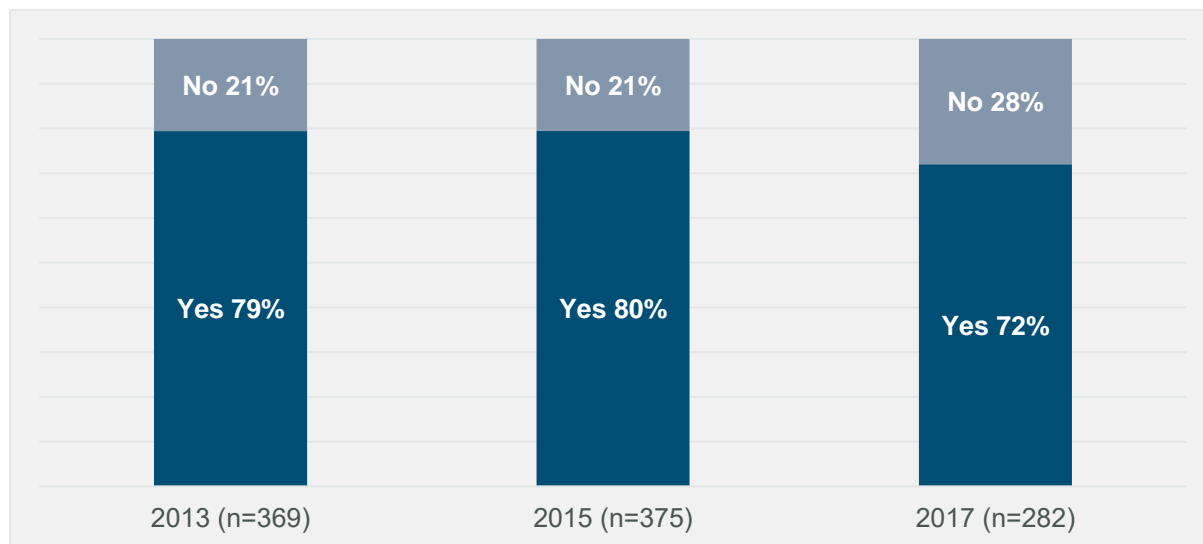


Figure 25: “What percentage of your payroll budget is used for recognition programs?” (n=150)
Only participants answering “Yes” in Figure 24 received this question.

Distribution of Responses								
0%	0.1% to 0.3%	0.4% to 0.6%	0.7% to 0.9%	1.0% to 1.9%	2.0% to 2.9%	3.0% to 4.9%	5.0% to 10.0%	Greater than 10.0%
5%	51%	18%	7%	11%	3%	2%	2%	0%

Figure 26: “The recognition budget is:”
Only participants answering “Yes” in Figure 24 received this question.

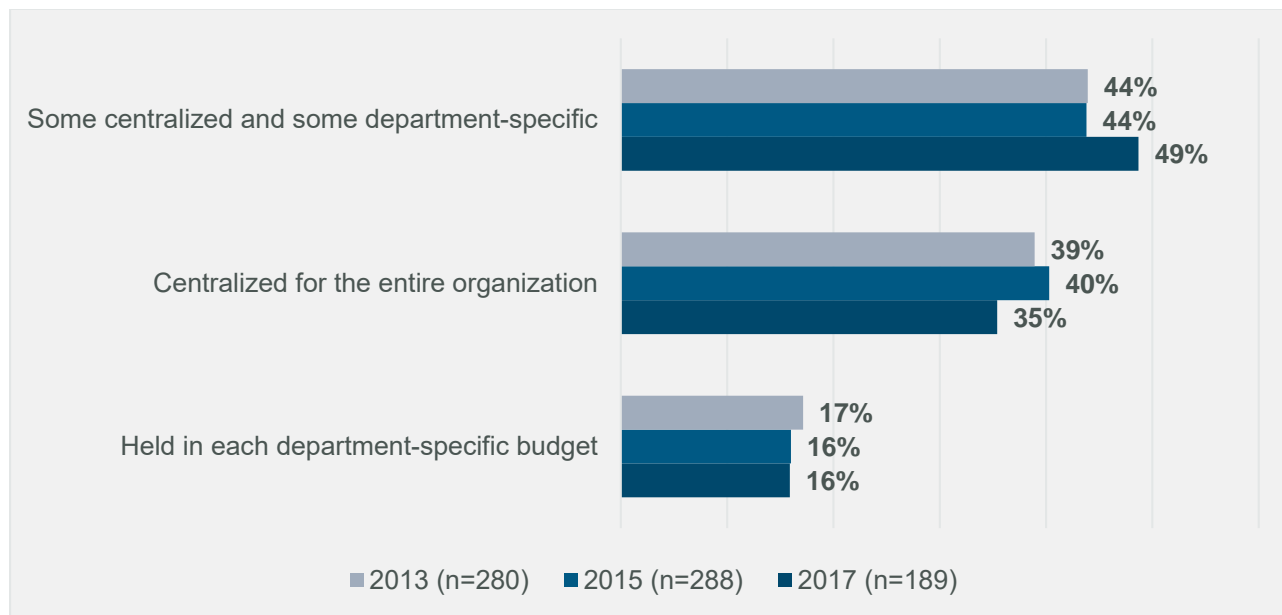


Figure 27: “How are recognition awards presented? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	528	494	488	348	370	270
One on one with manager	67%	63%	68%	71%	68%	68%
Special event (e.g., banquet, luncheon, etc.)	70%	57%	57%	61%	62%	58%
Staff meeting	60%	53%	53%	55%	53%	58%
Email announcements/notifications	n/a	n/a	39%	36%	38%	45%
Companywide meeting	36%	38%	40%	41%	37%	43%
Intranet announcement	n/a	28%	33%	29%	32%	34%
Company newsletter	n/a	n/a	29%	28%	25%	25%
Social media	n/a	n/a	n/a	5%	6%	9%
Not presented (e.g., mailed to recipient at work or home)	10%	8%	10%	10%	14%	6%
Other	3%	11%	6%	5%	4%	4%

Figure 28: “What types of electronic media or technology are used for the following program activities? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	Intranet	Email	Internal Social Network	Recognition Program Software	Internet	External Social Network
Recognition nomination (n=204)	39%	56%	5%	32%	7%	2%
Program communication (n=201)	60%	68%	13%	24%	9%	2%
Award/item ordering (n=188)	15%	31%	1%	42%	36%	1%
Program administration (n=182)	33%	44%	4%	41%	13%	0%
Recognition presentation (n=165)	46%	55%	15%	27%	7%	4%
Peer acknowledgement/celebration (n=154)	42%	59%	14%	33%	5%	3%
Program financials, reporting and/or tracking (n=137)	26%	37%	3%	49%	7%	1%
Program training (n=119)	58%	44%	11%	34%	13%	1%

Figure 29: “What types of items are presented as recognition awards? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	535	494	488	348	362	265
Certificates and/or plaques	81%	78%	77%	77%	77%	80%
Cash (not pay for performance or compensation)	58%	60%	62%	61%	56%	55%
Gift certificates for product purchases	57%	51%	47%	50%	53%	45%
Company logo merchandise	57%	46%	43%	47%	48%	40%
Food (e.g., breakfast, lunch, pizza party, etc.)	n/a	42%	36%	36%	36%	39%
Jewelry (e.g., necklaces, label pins, bracelets, etc.)	44%	28%	31%	31%	30%	31%
Timepieces (e.g., watches, clocks, etc.)	21%	30%	32%	32%	31%	30%
Household items (e.g., crystal, vases, china, etc.)	38%	26%	27%	28%	28%	26%
Redeemable points	n/a	n/a	14%	14%	22%	25%
Electronics (e.g., cameras, TVs, stereos, etc.)	28%	21%	25%	28%	28%	24%
Office accessories (e.g., desk sets, portfolios, pen/pencil sets, etc.)	38%	25%	26%	26%	25%	24%
Recreational items/sporting goods	29%	19%	20%	23%	27%	24%
Gift certificates for personal services (e.g., spa treatments, maid service, etc.)	25%	17%	18%	24%	24%	22%
Travel	21%	15%	15%	14%	17%	13%
Other	8%	11%	n/a	n/a	n/a	n/a

Figure 30: “Which media channels do you use to communicate/explain your recognition programs to managers and employees? (Select all that apply.)”
Only participants answering “Yes” in Figure 7 received this question.

	2013	2015	2017
n=	345	354	266
Internet/intranet	61%	66%	66%
Email	65%	69%	64%
Staff meetings	n/a	n/a	42%
Company newsletter	30%	34%	31%
Employee orientation	29%	35%	31%
Posters, flyer and/or table tents	19%	22%	23%
Employee handbook	18%	18%	22%
We do not have a communications plan for our recognition programs	11%	9%	11%
Social media	5%	5%	6%
Other	6%	4%	2%

Figure 31: “Do you have a formal training program for managers about your recognition programs?”
Only participants answering “Yes” in Figure 7 received this question.

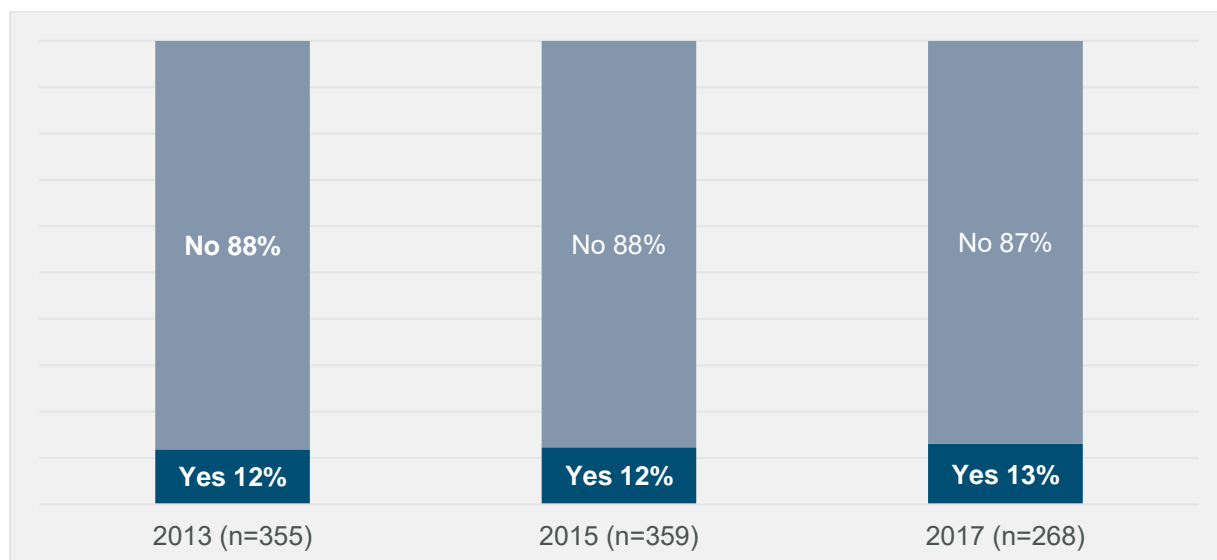
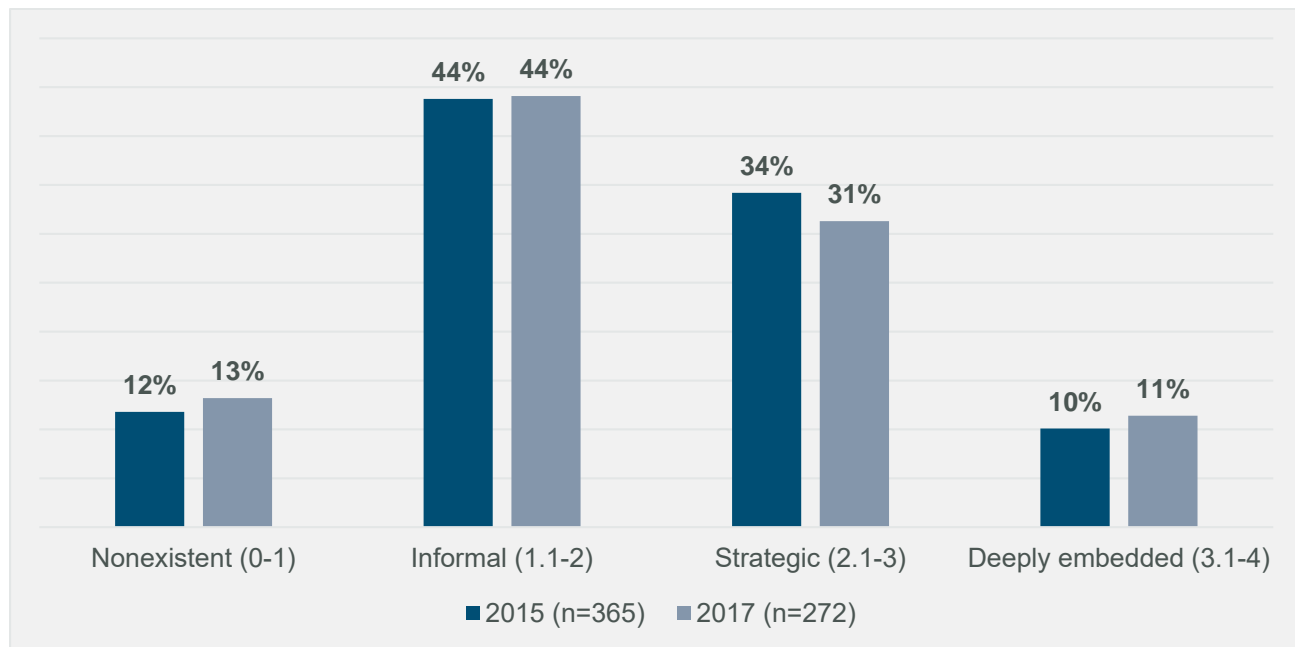


Figure 31a: “To what degree is a culture of recognition embedded in your organization’s culture?”²
Only participants answering “Yes” in Figure 31 received this question.



<u>Nonexistent</u> <u>(0-1)</u>	<u>Informal</u> <u>(1.1-2)</u>	<u>Strategic</u> <u>(2.1-3)</u>	<u>Deeply embedded</u> <u>(3.1-4)</u>
<p>We have no employee recognition policy, strategy or philosophy.</p> <p>Employee recognition may take place on a case-by-case basis, but the structure is informal.</p>	<p>We have some written programs and policies, but they are not widely applied.</p> <p>Some managers use employee recognition to reward, engage and retain employees, but training and usage are inconsistent.</p>	<p>Employee recognition is strategic and viewed as an essential element in achieving organizational success.</p> <p>Training for managers may occur, and most managers use employee recognition to reward, engage and retain employees.</p>	<p>The importance of employee recognition is part of our organization's culture.</p> <p>Managers are trained on employee recognition, and there is universal and regular usage of programs and practices.</p>

Figure 32: “Which formal training methods do you use to train your managers? (Select all that apply.)”
Only participants answering “Yes” in Figure 31 received this question.

	2005	2008	2011	2013	2015	2017
n=	124	94	71	42	43	35
In-person training session	69%	80%	70%	57%	81%	69%
Online education	36%	32%	51%	62%	44%	51%
Handbook	36%	34%	23%	24%	35%	31%
Video	8%	7%	10%	14%	14%	20%
Other	17%	7%	n/a	n/a	n/a	n/a

² The category scale has been revised from what appeared in the instrument to reflect the numeric breaks as analyzed, so that the lowest value in each category is x1. This is consistent with how the data was categorized and analyzed in the 2015 report.

Figure 33: “What level of support do you feel your organization’s senior management team shows for your recognition programs?”
Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	534	487	486	355	364	265
High level of support	49%	36%	37%	41%	34%	37%
Neutral support	46%	57%	57%	54%	59%	57%
Low/no support	6%	7%	7%	6%	7%	6%

Figure 34: “Which of the following best describes how senior management in your organization views employee recognition programs?”
Only participants answering “Yes” in Figure 7 received this question.

	2005	2008	2011	2013	2015	2017
n=	534	492	489	354	362	269
As an investment	55%	46%	52%	46%	46%	56%
As an expense	13%	13%	14%	12%	14%	11%
Unsure	32%	41%	34%	42%	40%	33%

Program Effectiveness

Figure 35: “Does your organization feature or market some or all types of recognition programs as a key employee benefit when attempting to attract new employees?”
Only participants answering “Yes” in Figure 7 received this question.

	2013	2015	2017
n=	351	358	267
Yes	11%	12%	16%
No	62%	53%	42%
Sometimes, but not always	27%	36%	42%

Participating Organizations

AAM	Freeport LNG Development L.P.
Abt Associates	Geonerco Management LLC
Accuray	Gibson Energy
AcelInfoSolutions	Goodman Networks
AgFirst Farm Credit Bank	Grande Cheese
AgriBank	Grande Cheese Co.
Alliance HealthCare Services	Great Canadian Gaming Corp.
Allscripts	Gulf Coast Regional Blood Center
Allstate	HDR Inc.
American Cancer Society	Hilltop National Bank
American Eagle Outfitters	ICW Group
American Nurses Association	Illinois Credit Union System
AmeriHealth Caritas	IM Flash Technologies
Analog Devices	Infor
Aspen Technology	Insitu
Astron Solutions	Inter-American Development Bank
Atlantic Central	Inter-Coastal Electronics Inc.
Avnet	International Paper
BAE Systems Inc.	Iowa State University
Bank of the West	Jet Propulsion Laboratory
BankNewport	Kelsey-Seybold Clinic
Black Hills Corp.	KPMG LLP
CAE	Kyocera International Inc.
CAI	L3 Technologies Aerospace Systems
California Casualty Management Co.	L3 Technologies, Link Simulation & Training
Cardinal Health	L3 WESCAM
Central Pacific Bank	Laureate Education Inc.
Chapters Health System	Learning Care Group Inc.
Ciena Corp.	Lehigh Valley Health Network
Cincinnati Children's Hospital and Medical Center	Leupold & Stevens Inc.
City & County of Denver	LifeLabs
City of Georgetown, Texas	Lixil Water Technology Americas
City of Palo Alto	Logitech
CNO Financial Group	Lonza
CommunityAmerica	Louisiana Department of State Civil Service
ConnectiCare Inc.	Lower Colorado River Authority
Connexus Energy	Mallinckrodt Pharmaceuticals
Corporate Office Properties Trust	Manitoba Liquor & Lotteries
Corus Entertainment Inc.	Manulife
Cox Media Group	MARTA
CSG International	Masonite International
Curtiss-Wright Corp.	Mastercard
Daiichi Sankyo Inc.	Mattamy Homes
Delta Dental of Washington	McCain Foods Limited
Eli Lilly and Co.	Medavie Health Services
Ensco Plc	Metropolitan Transit Authority
ESL Federal Credit Union	MidMichigan Health
FAA	Mission Produce Inc.
Fairleigh Dickinson University	MITRE
Federal Housing Finance Agency	Moog Inc.
Federal Reserve Bank of Cleveland	Murata Electronics
Feeding America	Nature's Bounty
FirstGroup America Inc.	Navicent Health
FIS	NEC Corporation of America
Fiserv	NewPort Tank Containers
Frankenmuth Insurance	NORC
Freedom Mortgage	NRECA

NRUCFC
 NVIDIA Corp.
 NW Permanente
 OB Hospitalist Group
 Omaha Public Power District
 OnCourse Learning Corp.
 Oxford University Press
 Panasonic Automotive Systems Co.
 Paycor
 PeopleMatters
 Performance Food Group
 PIC, A Trigo Co.
 Pöyry
 Princess Auto
 PRM Consulting Group
 Project Management Institute
 Protective Life
 Qualcomm Inc.
 Quanta Services Inc.
 Quantum Corp.
 RaffaP.C.
 Regency Centers
 Regeneron Pharmaceuticals Inc.
 Roche Diagnostics
 Rockwell Collins
 Rubino Consulting Services
 SAGE Publishing
 Salt River Project
 SAP
 SchoolsFirst Federal Credit Union
 Siemens USA
 Signium
 Snap-on Inc.
 Solar Turbines
 Sonora Quest Laboratories
 Southern States Cooperative Inc.
 Spirit Realty Capital Inc.
 Sprouts Farmers Market
 St. Josephs Healthcare Hamilton
 Stoneridge Inc.
 Subsea 7
 Sunovion Pharmaceuticals Inc.
 Synaptics

TD Ameritrade
 Teacher Retirement System of Texas
 Tech International
 Tesoro
 Texas Mutual Insurance Co.
 The Auto Club Group
 The Children's Hospital of Philadelphia
 The Church of Jesus Christ of Latter Day Saints
 The Coca-Cola Co.
 The Johns Hopkins University, Applied Physics
 Laboratory
 The Manitowoc Co.
 The Warranty Group
 The YMCA of Greater Rochester
 Thomson Reuters
 Travelopia
 Tronc
 TTUHSC
 Tyson Foods
 UCSF
 UIL Holdings Corp.
 Ullico
 UMOM New Day Centers
 Unilever
 Unisys
 United Power Inc.
 University Hospital
 University of Minnesota Physicians
 University of Pennsylvania
 University of Toronto
 Verisign Inc.
 Virginia Mason Medical Center
 West Marine
 Wind River
 Wintrust Financial Corp.
 WRI
 WSIB
 Xactly Corp.
 Xerox
 Yellow Pages

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
EXHIBIT (PG&E-8), CHAPTER 4

PG&E VS MARKET EXCLUDING: (1) Officers compensation, benefits, Short Term Incentive; and (2) below the line costs

	PG&E Employee Category	PG&E					Market					PG&E vs Market		
		Target Total		Actual Total		Benefits	Base Salary	Target Total		Actual Total		Target Total Comp	Actual Total Comp	
		Cash	Comp	Cash	Comp			Cash	Comp					
1	Executive													
2	Senior Director/Director/Chief	41,540	51,470	50,477	10,185	61,655	60,662	7,716	13,435	14,992	1,600	15,035	16,592	-100.0%
3	Senior Manager/Manager/Principal	216,345	244,864	240,185	51,594	296,458	291,779	41,877	52,614	52,646	8,029	60,643	60,675	1.7%
4	Professional	495,005	526,946	521,223	112,890	639,836	634,113	215,719	246,781	245,567	41,140	287,921	286,707	3.0%
5	Physical	539,465	540,199	540,251	124,658	664,857	664,909	462,534	506,830	504,498	91,494	598,324	595,992	6.9%
6	Clerical	84,719	85,590	85,521	25,861	111,451	111,382	482,496	509,285	509,491	100,951	610,236	610,442	9.0%
7	Total	1,377,074	1,449,069	1,437,657	325,188	1,774,257	1,762,845	73,371	77,653	78,416	20,775	98,428	99,191	13.2%
8								1,283,713	1,406,598	1,405,610	263,989	1,670,587	1,669,599	6.2%
9	Total Company Below the Line expense[a],[b]	4,695	4,941	4,902	1,109	6,050	6,011	-	-	-	-	-	-	-
10														
11	Total Less Below the Line	1,372,379	1,444,128	1,432,755	324,079	1,768,207	1,756,834	1,283,713	1,406,598	1,405,610	263,989	1,670,587	1,669,599	5.8%

[a] Total Company BTL Allocation factor - 0.6%; workpaper supporting Exhibit (PG&E-10), Chapter 7

Total Company Labor Capitalization 44.2%; workpaper supporting Exhibit (PG&E-10), Chapter 7

[b] BTL adjustment applied to expense amounts, net of capitalization.

Source: Total Compensation Study Exhibit (PG&E-8), WP 7-31

PACIFIC GAS AND ELECTRIC COMPANY
2020 GENERAL RATE CASE
EXHIBIT (PG&E-8) HUMAN RESOURCES

WORKPAPERS SUPPORTING
CHAPTER 4A, SAFETY AND EXECUTIVE COMPENSATION

TABLE OF CONTENTS

Subject	Page No.
Officer Compensation adjustment SB901	WP 4A-1



John Lowe


Date

Pacific Gas and Electric Company
2020 General Rate Case
Senate Bill 901 - 2020 Officer Compensation and Benefits Forecast [a]
(Thousands of Dollars)

Line No.	Components of Officer Compensation and Benefits	PG&E Corporation	Utility	Total	Ex/Ch	WP Reference	Note
1	For purposes of complying with SB 901 PG&E has calculated the adjustment to remove officer compensation and benefits from the 2020 GRC as of September 2018. PG&E will update this analysis as necessary PG&E adjusted the forecast as follows:						
2							
3	1. Base Salaries: The base salary was calculated using actual end of year 2017 salaries, escalated using the GRC labor escalation factor to 2020 dollars.						
4	a. LOB Officers: base salary and other miscellaneous compensation for LOB officers, including Gas, Electric and Customer.		1,832.6	1,832.6			
5	b. Administrative and General Officers: base salary and other miscellaneous compensation for Officers in Corporate Services, Human Resources, Information Technology and Shared Services organizations.	2,396.0	2,316.8	4,712.9			
6	Total Base Salaries:	2,396.0	4,149.5	6,545.5			[b]
7	2 Employee Benefits: The benefit amounts are based the forecast per company and then allocated based on headcount of each company.						[c]
8	a. Employee Active benefits						
9	- Medical	106.4	169.4	275.8	Ex. 8, Ch. 5	WP 5-8	
10	- Wellness	2.4	3.9	6.4	Ex. 7, Ch. 1A	WP 1A-14 and WP 1A-26	
11	- Dental	7.5	12.1	19.6	Ex. 8, Ch. 5	WP 5-25	
12	- Vision	0.7	1.2	1.9	Ex. 8, Ch. 5	WP 5-36	
13	- Group Life and Accidental Death and Dismemberment	0.1	0.2	0.3	Ex. 8, Ch. 5	WP 5-52	
14	- Employee Contributions	(8.1)	(13.1)	(21.2)	Ex. 8, Ch. 5	WP 5-45	
15	Total Employee Active Benefits:	109.1	173.7	282.8			
16							
17	b. Retirement Savings Plan (401k)	232.4	112.2	344.6	Ex. 8, Ch. 5	WP 5-66	
18	c. Retirement Plan - Non Qualified	299.0	180.6	479.6	Ex. 8, Ch. 4	WP 4-43	
19	d. Leave and Short Term Disability	12.1	1.5	13.6	Ex. 7, Ch. 1A	WP 1A-16	
20	Total Employee Benefits (sum of a, b, c and d)	652.6	468.0	1,120.6			
21	Total A&G and LOB Officer Compensation and Benefits	3,048.6	4,617.5	7,666.1			
22							

[a] Please note, this workpaper shows the removal of approximately \$7.7 million of compensation and benefits associated with SEC Rule 240.3b-7 officers. PG&E will remove an additional, approximately \$13 million in compensation for other officers and will update its RO and this workpaper accordingly.

[b] Below the line amounts have been excluded from base salaries, amounts shown are before allocation to capital.

[c] Employee Benefit amounts shown are Gross Total Company amounts before allocations (Capital and Below the line).